



महाराष्ट्र शासन राजपत्र

भाग सहा

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प्राधिकृत प्रकाशन

संसदेचे अधिनियम व राष्ट्रपतींनी प्रख्यापित केलेले अध्यादेश

अनुक्रमणिका

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LAW AND JUDICIARY DEPARTMENT

Madam Cama Marg, Hutatma Rajguru Chowk, Mantralaya,
Mumbai 400 032, dated the 27th June 2018

No. 1032/B.—The following Acts of Parliament are hereby republished for general information :—

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 31st December 2017/Pausha 10, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 31st December, 2017, and is hereby published for general information :—

THE INDIAN INSTITUTES OF MANAGEMENT ACT, 2017

(No. 33 of 2017)

[31st December 2017]

An Act to declare certain Institutes of management to be institutions of national importance with a view to empower these institutions to attain standards of global excellence in management, management research and allied areas of knowledge and to provide for certain other matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows :—

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(1) This Act may be called the Indian Institutes of Management Act, 2017.

(2) It shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint, and different dates may be appointed for different provisions of this Act.

2. Declaration of certain institutions as institutions of national importance.—Whereas the objects of the Institutes mentioned in the Schedule are such as to make them institutions of national importance, it is hereby declared that each such Institute is an institution of national importance.

3. Definitions.—In this Act, unless the context otherwise requires,—

(a) “Academic Council” means the Academic Council referred to in section 15 ;

(b) “Board”, in relation to any Institute, means the Board of Governors referred to in sub-section (1) of section 10 ;

(c) “Chairperson” means the Chairperson of the Board of Governors of the Institutes appointed under clause (a) of sub-section (2) of section 10 ;

(d) “Coordination Forum” means the Coordination Forum established under section 29 ;

(e) “corresponding Institute”, in relation to an Institute mentioned in column (3) of the Schedule, means an Institute as specified against the said Institute in column (5) ;

(f) “Director”, means the Director of the Institute appointed under sub-section (2) of section 16 ;

(g) “existing Institute” means any Institute mentioned in column (3) of the Schedule ;

(h) “Institute” means any Institute mentioned in column (5) of the Schedule ;

(i) “notification” means a notification published in the *Official Gazette* and the expression “notify” with its cognate meanings and grammatical variation shall be construed accordingly ;

(j) “Ordinances” means Ordinances made by the Academic Council under this Act ;

(k) “prescribed” means prescribed by rules made under this Act ;

(l) “regulations” means regulations made by the Board ;

(m) “Schedule” means the Schedule annexed to this Act ;

(n) “society” means any of the societies registered under the Societies Registration Act, 1860 (21 of 1860) or the Mysore Societies' Registration Act, 1960 (17 of 1960) or the Madhya Pradesh Societies Registration Act, 1973(44 of 1973) or the Tamil Nadu Societies Registration Act, 1975 (27 of 1975) or the Jammu and Kashmir Societies Registration Act, 1998 (VI of 1998) mentioned in column (3) of the Schedule.

CHAPTER II

THE INSTITUTES

4. Incorporation of Institutes.—(1) On and from the commencement of this Act, every existing Institute shall be a body corporate by the same name as mentioned in column (5) of the Schedule.

(2) Every Institute referred to in column (5) of the Schedule shall have perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued.

5. Effect of incorporation of Institutes.—On and from the commencement of this Act,—

(a) any reference to an existing Institute in any contract or other instrument shall be deemed as a reference to the corresponding Institute ;

(b) all properties, movable and immovable, of or belonging to every existing Institute shall vest in the corresponding Institute ;

(c) all rights and debts and other liabilities of every existing Institute shall be transferred to, and be the rights and liabilities of, the corresponding Institute ;

(d) every person employed by every existing Institute immediately before such commencement shall hold his office or service in the corresponding Institute, with the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to pension, leave, gratuity, provident fund and other matters as he would have held had this Act not been enacted and shall continue to do so unless and until his employment is terminated or until such tenure, remuneration and terms and conditions are duly altered by regulations :

Provided that if the alteration so made is not acceptable to such employee, his employment may be terminated by the Institute in accordance with the terms of the contract with the employee, or, if no provision is made therein in this behalf, on payment, to him by the Institute, of a compensation equivalent to three months' remuneration in case of permanent employee and one months' remuneration in the case of other employee :

Provided further that any reference, by whatever form of words, to the Director, and other officers of an existing Institute under any law for the time being in force, or in any instrument or other document, shall be construed as a reference to the Director, and other officers of the corresponding Institutes ;

(e) every person pursuing, before commencement of this Act, any academic or research course in every existing Institute, shall be deemed to have migrated and registered with the corresponding Institute, on such commencement at the same level of course in the Institute from which such person migrated ;

(f) all suits and other legal proceedings instituted or which could have been instituted by or against an existing Institute, immediately before the commencement of this Act, shall be continued or instituted by or against the corresponding Institute.

6. Objects of Institutes.—Each Institute shall have the following objects, namely :—

(a) to educate and support leaders who can contribute as professional managers, entrepreneurs, and stewards of existing and emerging enterprises in the private, public, and social sectors ;

(b) to carry out research, publication, consultancy and advisory work to advance new knowledge and innovation and to provide global leadership in management theory and practice :

Provided that research so conducted shall also be directed towards such areas of study which shall enhance inclusive, equitable and sustainable national development goals as enshrined in the objects of the Act ;

(c) to provide management education of high quality and to promote allied areas of knowledge as well as interdisciplinary studies ;

(d) to sensitise management education to the vision of inclusive, equitable and sustainable national development goals in order to contribute holistically to Society ;

- (e) to support and develop programmes promoting social and gender equity ;
- (f) to develop educational programmes and faculties that advance the cause of education, teaching and learning, across disciplines ;
- (g) to set-up centres for management studies and allied areas ;
- (h) to support and collaborate with management institutions and other educational institutions in India ;
- (i) to co-operate and collaborate with educational or management institutions in other countries to extend the interests of management education and research.

7. Powers and functions of Institute.—Subject to the provisions of this Act, every Institute shall exercise the following powers and perform the following functions, namely :—

- (a) to carry out the administration and management of the Institutes ;
- (b) to provide by regulations for the admission of candidates to the various courses of study in conformity with the laws for the time being in force ;
- (c) to specify and conduct courses of study, training and research in management and allied subjects and document, and disseminate knowledge thereof ;
- (d) to evolve innovative management education pedagogy aligned to dynamic global management practices ;
- (e) to conduct examinations and to establish processes for evaluation and performance assessment through a fair and transparent system ;
- (f) to grant degrees, diplomas and other academic distinctions or titles and to institute and award fellowships, scholarships, prizes and medals, honorary awards and other distinctions ;
- (g) to lower the cost of education and to enhance the reach of the education by use of information and communication technology and other innovative methods ;
- (h) to establish and maintain such infrastructure as may be necessary ;
- (i) to determine, specify and receive payment of, fees and other charges as the Institute may deem fit, from students and any other person, institution or body corporate for instruction and other services, including training, consultancy and advisory services, provided by the Institute ;
- (j) to acquire, hold and deal with the property belonging to or vested in the Institute, with the approval of the Board, and in case of immovable property, under prior intimation to the Central Government, for advancing the objects of the Institute subject to the condition that such property is not obtained wholly or partly from the State Government or the Central Government funds :

Provided that where the land for the Institute has been provided free of cost by a State Government or the Central Government such land may be disposed of only with the prior approval of the Central Government ;

- (k) to create academic, administrative, technical, ministerial and other posts under the Institute other than the post of Director of the Institute and to make appointments thereto ;
- (l) to appoint committees for the disposal of any business of the Institute or for tendering advice in any matter pertaining to the Institute ;
- (m) to receive grants, gifts and contributions and to have custody of the funds including internally generated funds of the Institute to meet the expenses, including capital expenditure of the Institute including expenses incurred in the exercise of its powers and discharge of its functions ;
- (n) to create partnership, affiliation and other classes of professional or honorary or technical membership or office as the Institute may consider necessary ;
- (o) to perform such other functions as may be necessary for carrying out the objects of the Institutes ;
- (p) to do all such things and activities, incidental to the attainment of all or any of the objects of the Institute.

8. Institutes to be open to all irrespective of sex, race, creed, caste or class.—(1) Every Institute shall be open to all persons irrespective of sex, race, creed, caste or class, and no test or condition shall be imposed as to religious belief or profession in admitting or appointing members, students, teachers or workers or in any other connection whatsoever.

(2) No bequest, donation or transfer of any property shall be accepted by any Institute which in the opinion of the Board involves conditions or obligations opposed to the spirit and object of this section.

(3) The admission to every academic course or programme of study in each Institute shall be based on merit assessed through transparent and reasonable criteria disclosed through its prospectus, prior to the commencement of the process of admission by such Institute :

Provided that nothing in this section shall be deemed to prevent the Institute from making special provisions for the employment or admission of women, persons with disabilities or for persons belonging to any socially and educationally backward classes of citizens and, in particular, for the Scheduled Castes and the Scheduled Tribes :

Provided further that every such Institute shall be a Central Educational Institution for the purposes of the Central Educational Institutions (Reservation in Admission) Act, 2006 (5 of 2007).

9. Institute to be not-for-profit legal entity.—(1) Every Institute shall be a not-for-profit legal entity and no part of the surplus, if any, in revenue of such Institute, after meeting all expenditure in regard to its operations under this Act, shall be invested for any purpose other than for the growth and development of such Institute or for conducting research therein.

(2) Every Institute shall strive to raise funds for self-sufficiency and sustainability.

CHAPTER III

THE AUTHORITIES OF INSTITUTES

10. Board of Governors.—(1) The Board of Governors of each Institute shall be the principal executive body of that Institute.

(2) The Board of each Institute shall consist of the following members, namely :—

(a) a Chairperson, from amongst eminent persons distinguished in the field of industry or education or science or technology or management or public administration or such other field, to be appointed by the Board ;

(b) one nominee of the Central Government having charge of the management education or his representative ;

(c) one nominee of the respective State Government or representative of such nominees, within whose territorial jurisdiction the Institute is located ;

(d) four eminent persons, of which at least one shall be a woman, distinguished in the field of education, industry, commerce, social service or public administration, to be nominated by the Board, having such experience and in such manner as may be specified by regulations ;

(e) two members from the faculty of respective Institutes to be nominated by the Chairperson, in the manner to be laid down by the Board by regulations ;

(f) one person from the Scheduled Castes or Scheduled Tribes to be nominated by the Board from amongst the members referred to in clauses (d), (e) and (g) ;

(g) up to five persons to be co-opted by the Board from the alumni or the members of society of the existing Institute who have distinguished themselves in the field of management :

Provided that out of such five persons, not more than one member shall be from the Society ;

(h) three women members to be nominated by the Board from amongst the members referred to in clauses (d), (e) and (g) ;

(i) Director of the Institute, *ex officio* member.

(3) The Board may nominate a person to fill up any temporary vacancy, of a member referred to in clauses (d) and (g) of sub-section (2), for a period which may extend to three months.

(4) The Board shall designate an officer of the Institute to act as Secretary of the Board.

(5) The Chairperson shall have the power to invite any number of experts, not being members of the Board, to attend meetings of the Board, but such invitees shall not be entitled to vote at the meeting.

11. Powers and functions of Board.—(1) Subject to the provisions of this Act, the Board of every Institute shall be responsible for the general superintendence, direction and control of the affairs of the Institute and shall have the power to frame or amend or modify or rescind the regulations governing the affairs of the Institute to achieve the objects of the Institute specified in section 6.

(2) Without prejudice to the provisions of sub-section (1), the Board shall have the following powers, namely :—

(a) to take decisions on questions of policy relating to the administration and working of the Institute ;

(b) to examine and approve the annual budget estimates of the Institute ;

(c) to examine and approve the plan for development of the Institute and to identify sources of finance for implementation of the plan ;

(d) to establish departments, faculties or schools of studies and initiate programmes or courses of study at the Institute ;

(e) to set-up centres of management studies and allied areas within the country under intimation to the Central Government ;

(f) to grant degrees, diplomas and other academic distinctions or titles, and to institute and award fellowships, scholarships, prizes and medals ;

(g) to confer honorary degrees in such manner as may be specified by the regulations ;

(h) to grant honorary awards and other distinctions ;

(i) to create academic, administrative, technical and other posts and to make appointments thereto :

Provided that the cadre, the pay scales, allowances and term of employment of such posts shall be such as may be determined by the Central Government ;

(j) to determine, by regulations, the number and emoluments of such posts and to define the duties and conditions of services of the academic, administrative, technical and other staff ;

(k) to set-up centres of management studies and allied areas outside India in accordance with guidelines laid down by the Central Government from time to time and in accordance with the provisions of the laws for the time being in force in such foreign country ;

(l) to pay, variable pay to the Director of the Institute on the basis of performance objectives as may be specified by the regulations ;

(m) to specify by regulations, the fees to be charged for courses of study and examinations in the Institute ;

(n) to specify by regulations the manner of formation of department of teaching ;

(o) to specify by regulations the institution of fellowships, scholarships, exhibitions, medals and prizes ;

(p) to specify by regulations the qualifications, classification, terms of office and method of appointment of the academic, administrative, technical and other staff of the Institute ;

(q) to specify by regulations the constitution of pension, insurance and provident funds for the benefit of the academic, administrative, technical and other staff ;

(r) to specify by regulations, the establishment and maintenance of buildings ;

(s) to specify by regulations, the conditions of residence of students of the Institute and levying of fees for residence in the halls and hostels and of other charges ;

(t) to specify by regulations, the manner of authentication of the orders and decisions of the Board ;

(u) to specify by regulations, the quorum for meetings of the Board, the Academic Council or any Committee, and the procedures to be followed in the conduct of their business ;

(v) to specify by regulations, the financial accountability of the Institute ; and

(w) to exercise such other powers and perform such other duties as may be conferred or imposed upon it by this Act or the rules made thereunder.

(3) Subject to the provisions of this Act, the Board may by regulations, delegate such powers and functions of the Board to the Director as it may deem fit.

(4) The Board shall conduct an annual review of the performance of the Director, in the context of the achievements of objects of the Institute :

Provided that such review shall include performance reviews of faculty members of the Institute on such parameters, periodicity and terms of reference as may be determined by the Board.

(5) The Board shall, through an independent agency or group of experts, within a period of three years from the date of incorporation of the Institute, and thereafter at least once every three years, evaluate and review the performance of the Institutes, including its faculty, on the parameters of long term strategy and rolling plans of the Institutes and such other parameters as the Board may decide and the report of such review shall be placed in public domain.

(6) The qualifications, experience and the manner of selection of the independent agency or group of experts, referred to in sub-section (5), shall be such as may be specified by regulations.

(7) The report of the evaluation and review under sub-section (5) shall be submitted by the Board to the Central Government along with an action taken report thereon.

(8) Where in the opinion of the Chairperson or the Director the situation is so emergent that an immediate decision need to be taken in the interest of the Institute, the Chairperson, in consultation with the Director may issue such orders as may be necessary, recording the grounds for his opinion :

Provided that such orders shall be submitted for ratification by the Board in the next meeting.

(9) The Board shall in the exercise of its power and discharge of its functions under this Act, be accountable to the Central Government.

12. Term of office of. vacancies among, and allowances payable to members of Board.—(1) Save as otherwise provided in this section, the term of office of the Chairperson or any other member of the Board, other than an *ex officio* member, shall be four years from the date of his appointment or nomination :

Provided that the term of office of a member nominated under clause (e) of sub-section (2) of section 11 shall be two years from the date of his nomination :

Provided further that the Chairperson, or any other member of the Board, other than an *ex officio* member, may be appointed or nominated for a second term :

Provided also that the Chairperson or any other member of the Board, other than an *ex officio* member, shall not be appointed or nominated for more than two consecutive terms.

(2) The term of office of an *ex officio* member shall continue so long as he holds the office by virtue of which he is a member of the Board.

(3) A member of the Board, other than a nominee of the Central Government or the State Government, who fails to attend three consecutive meetings of the Board without permission of the Chairperson, shall cease to be a member of the Board.

(4) A casual vacancy of a member shall be filled up in accordance with the provisions of section 10.

(5) The term of office of a member nominated to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he has been so nominated.

(6) Members of the Board shall be entitled to such allowances, as may be specified in the regulations, for attending meetings of the Board.

(7) The Board shall meet at least once in every three months.

13. Resignation of Chairperson.—The Chairperson may, by notice in writing under his hand addressed to the Board, resign from his office.

14. Academic Council.—(1) The Academic Council shall be the principal academic body of every Institute, consisting of the following persons, namely :—

(a) Director of the Institute, who shall be the Chairperson of the Academic Council ;

(b) Deans in charge of academics, research, student affairs and such other functions of the Institute ;

(c) Chairs of Areas or Programmes, Heads or Coordinators of Faculties or Schools or Centres or Departments, of the Institute ;

(d) all full time Faculty at the level of Professors and such number of other full time Faculty of the Institute as may be determined by the Board ;

(e) such members, by invitation of the Board on the recommendation of the Director, who are eminent in the fields of industry, finance, management, public administration and academics.

(2) The term of office of an *ex officio* member shall continue so long as he holds the office by virtue of which he is a member.

(3) The term of office of a member nominated under clause (d) of sub-section (1) shall be two years from the date of his nomination.

15. Power and functions of Academic Council.—(1) The Academic Council shall perform the following functions, namely :—

(a) to specify the criteria and process for admission to courses or programmes of study offered by the Institute ;

(b) to specify the academic content of programmes and courses of study and undertake modifications therein ;

(c) to specify the academic calendar, guidelines for conduct of examination and recommend grant of degrees, diplomas and other academic distinctions or titles.

(2) The Academic Council shall exercise such other powers and perform such other functions as may be conferred upon it, by this Act or the regulations or by the Board.

16. Director.—(1) The Director shall be the Chief Executive Officer of the Institute and shall provide leadership to the Institute and be responsible for implementation of the decisions of the Board.

(2) The Director shall be appointed by the Board, on such terms and conditions of service as may be prescribed.

(3) The Director shall be appointed out of the panel of names recommended by a search-cum-selection committee to be constituted by the Board, consisting of :—

(a) the Chairperson of the Board, who shall be the Chairperson of the search- cum-selection committee ;

(b) three members chosen from amongst eminent administrators, industrialists, educationists, scientists, technocrats and management specialists :

Provided that where the Board is not satisfied with the recommendations of the search-cum-selection committee, it may ask the search-cum-selection committee to make fresh recommendations.

(4) The Director shall exercise the powers and perform the duties as may be assigned to him under this Act or the regulations or as may be delegated to him by the Board :

Provided that the Board may lay down the criteria to be followed by the Director while exercising powers and performing his duties, which shall be evaluated by the Board annually, and if the Board is of the opinion that such criteria has not been followed, then, the Board may, after giving an opportunity of being heard to the Director, initiate action for removal of such Director under sub-section (7).

(5) The Director shall, except on account of resignation or removal, hold office for a term of five years, from the date on which he enters upon his office.

(6) The Director may, by notice in writing under his hand addressed to the Board, through the Chairperson, resign his office at any time.

(7) The Board may remove from office the Director, who—

(a) has been adjudged as an insolvent ; or

(b) has been convicted of an offence which, in the opinion of the Board, involves moral turpitude ;

or

(c) has become physically or mentally incapable of acting as a Director ; or

(d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a Director ; or

(e) has so abused his position or so conducted himself as to render his continuance in office prejudicial to the public interest :

Provided that the Director shall not be removed from office except by an order made by the Board, after an enquiry instituted by it in which the Director has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.

(8) Where the post of Director is likely to fall vacant on account of completion of tenure, the Board shall initiate the process of appointment nine months prior to the occurrence of such vacancy.

(9) Where the post of Director falls vacant on account of any reason, the Board may appoint the senior-most faculty in the institution as the Director in charge till a regular Director is appointed :

Provided that if the senior-most faculty is not willing to hold the post of Director in charge, then the next senior-most willing faculty may be appointed as Director in charge.

17. Initiation of inquiry.—(1) The Board may initiate an inquiry as deemed proper against the Institute which has not been functioning in accordance with the provisions and the objectives of the Act :

Provided that such an inquiry shall be conducted by a retired High Court Judge.

(2) The Board may, based on the findings of such an inquiry, remove the Director or take any other action deemed fit, and the Institute shall be bound to comply with such directions within reasonable time.

18. Custodian of records, etc.—The Board may designate any officer or officers of the Institute as the custodian of records, common seal, funds of the Institute and any other property of the Institute.

19. Role of members of Society.—The members of the societies referred to at serial numbers 2 and 3 under column (3) of the Schedule, may be engaged by the respective Boards of corresponding Institutes, for advisory assistance to it, by passing a resolution in that behalf.

20. Committees and other authorities.—(1) The Board may, constitute such committees and other authorities of the Institute and specify the duties and functions of each such committees and authorities by regulations.

(2) The Board may constitute such *ad hoc* committees as it may deem fit, for proper management of affairs of the Institute.

CHAPTER IV

ACCOUNTS AND AUDIT

21. Grants by Central Government.—For the purpose of enabling the Institutes to discharge their functions efficiently under this Act, the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to every Institute such sums of money in such manner as it may think fit.

22. Fund of Institute.—(1) Every Institute shall maintain a Fund to which shall be credited—

- (a) all moneys provided by the Central Government ;
- (b) all fees and other charges received by the Institute ;
- (c) all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers ;

(d) all moneys received by the Institute from utilisation of intellectual property arising from research conducted or rendering advisory or consultancy services by it ; and

(e) all moneys received by the Institute in any other manner or from any other source.

(2) All moneys credited to the Fund of every Institute shall be deposited in such banks or invested in such manner as may be laid down by the Board by regulations.

(3) Each Institute shall create a corpus fund for long term sustainability of the Institute, to which shall be credited such per cent. of the net income of the Institute and donations made specifically towards such corpus fund as the Central Government may in accordance with the provisions of the Income tax Act, 1961 (43 of 1961), notify :

Provided that the Board may also create endowment funds for specific purposes to which donations may be specifically made.

(4) The fund of any Institute shall be applied in such manner and for such purposes as may be specified by the regulations.

23. Accounts and audit.—(1) Every Institute shall maintain proper accounts including income and expenditure statements, internal audit report and statement audited by internal auditor specifying investments and other relevant records and prepare annual statement of accounts including the balance sheet in such form and as per such accounting standard as may be specified by notification by the Central Government in consultation with the Comptroller and Auditor- General of India.

(2) Where the statement of income and expenditure and the balance sheet of the Institute do not comply with the accounting standards, the Institute shall disclose in its statement of income and expenditure and balance sheet, the following, namely :—

- (a) the deviation from the accounting standards ;
- (b) the reasons for such deviation ; and
- (c) the financial effect, if any, arising out of such deviation.

(3) The accounts of every Institute shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by audit team in connection with such audit shall be payable by the Institute to the Comptroller and Auditor-General of India.

(4) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Institute shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Institute.

(5) The accounts of every Institute as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament in accordance with such procedure as may be laid down by the Central Government.

24. Books of account to be maintained by Institute.—Every Institute shall keep proper updated books of account with respect to—

- (a) all sums of money received and expended by it and the matters in respect of which receipt and expenditure takes place ;
- (b) the assets and liabilities of the Institute ;
- (c) the properties, movable and immovable of the Institute.

Explanation.—For the purposes of this section, if books of account give a true and fair view of the state of affairs of the Institute and its transactions, it shall be deemed as proper books of account with respect to the matters specified therein.

25. Appointment of auditors.—(1) The Board of every Institute shall, prior to the end of every financial year, and without prejudice to the provisions contained in the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Act, 1971 (56 of 1971) or any other law for the time being in force containing provisions for audit of accounts by the Institutes, appoint such auditors including the internal auditor, on such remuneration as it thinks appropriate, to scrutinise the balance sheet and the statement of income and expenditure of such Institute :

Provided that the Board shall change the auditors after every four years.

(2) The Board of every Institute shall constitute an Audit Committee to provide an expert advice on effectiveness of internal control system, risk management and audit report to the Board.

(3) The auditor appointed under sub-section (1) or any person employed by him shall not have any direct or indirect interest, whether pecuniary or otherwise, in any matter concerning or related to the administration or functions of the Institute.

26. Annual report of Director.—(1) There shall be attached to every statement of accounts laid before the Board of each Institute under section 27, a report, by its Director, with respect to—

- (a) the state of affairs of such Institute ;
- (b) the amounts, if any, which it proposes to carry to any surplus reserves in its balance sheet ;
- (c) the extent to which understatement or overstatement of any surplus of income over expenditure or any shortfall of expenditure over income has been indicated in the auditor's report and the reasons for such understatement or overstatement ;
- (d) the productivity of research projects undertaken by the Institute measured in accordance with such norms as may be specified by the Board ;
- (e) appointments of the officers and faculty members of the Institute ;
- (f) performance indicators and internal standards set by the Institute, including the nature of innovations in teaching, research and application of knowledge.

(2) The report of the Director shall also include a statement showing the names of the five officers including faculty members and other employees of the Institute who received the highest remuneration (including allowances and other payments made to such employees) during the financial year and the contributions made by such employee during the financial year.

(3) The statement referred to in sub-section (2) shall indicate whether any such employee is a relative of any member of the Board or Academic Council of the Institute and if so, the name of such member ; and such other particulars as may be determined by the Board.

(4) The Director shall also be bound to give the complete information and explanations in the report referred to in sub-section (1) on every reservation, qualification or adverse remark contained in the auditors' report.

27. Board to consider statement of accounts.—(1) The statement of accounts, including the balance sheet and the statement of income and expenditure, the auditor's report, the report of the Director and other documents required to be annexed or attached with such statement, shall be brought before the Board of concerned Institute in its meeting not later than three months, from the conclusion of the financial year.

(2) A copy of every statement of accounts referred to in sub-section (1) shall be sent to every member of the Board not less than twenty-one days before the date of the meeting.

(3) The statement of accounts referred to in sub-section (1) shall on its approval by the Board, be published on the website of the Institute.

28. Annual report of Institute.—(1) The annual report of every Institute shall be prepared under the directions of the Board, which shall include, among other matters, steps taken by the Institute towards the fulfilment of its objects and an outcome based assessment of the research being undertaken in such Institute.

Explanation.—For the purposes of this sub-section, the expression “outcome based assessment of research” shall mean an elaboration and analysis of the research conducted and the qualitative and quantitative outcomes of such research along with its impact factor and social outcomes.

(2) The annual report prepared under sub-section (1) shall be submitted to the Board on or before such date as may be specified by the Board who shall consider the report in its meeting.

(3) The annual report on its approval by the Board shall be published on the website of the Institute.

(4) The annual report of each Institute shall be submitted to the Central Government who shall, as soon as may be, cause the same to be laid before both Houses of Parliament.

CHAPTER V

COORDINATION FORUM

29. *Establishment of Coordination Forum.*—(1) With effect from such date as the Central Government may, by notification, specify in this behalf, there shall be established a Coordination Forum for all the Institutes.

(2) The Coordination Forum shall consist of the following members, namely :—

(a) an eminent person to be selected by a Search-cum-Selection Committee as may be constituted by the Coordination Forum, as chairperson :

Provided that the Coordination Forum may select one of its members to act as the chairperson till the chairperson is appointed ;

(b) the Secretary to the Government of India, in charge of the Ministry or Department of the Central Government having administrative control of management education, member—*ex officio* ;

(c) two Secretaries in charge of management education of State Governments in which the Institutes are located, by rotation, each year, member—*ex officio* ;

(d) four Chairpersons of Institutes, to be nominated by the Chairperson of the Coordination Forum, by rotation for two years ;

(e) the Director of each Institute, member—*ex officio* ;

(f) five persons of eminence, of which at least one shall be a woman, in academia or public service, to be selected by a sub-committee constituted by the Coordination Forum.

(3) The term of office of a member referred to in clause (f) of sub-section (2) shall be three years from the date of his nomination.

(4) The non-official members of the Coordination Forum shall be entitled to such travelling and other allowances, as may be prescribed.

(5) The Director of the host Institute where the meeting of the Coordination Forum takes place shall be the Member Secretary of the Coordination Forum and shall continue to be the Member-Secretary till a new host Institute is selected.

30. Functions of Coordination Forum.—(1) The Coordination Forum shall facilitate the sharing of experiences, ideas and concerns with a view to enhancing the performance of all Institutes.

(2) Without prejudice to the provisions of sub-section (1), the Coordination Forum shall perform the following functions, namely :—

(a) recommend to the Central Government, the institution of scholarships including for research and for the benefit of students belonging to the Scheduled Castes, the Scheduled Tribes and other socially and educationally backward classes of citizens ;

(b) deliberate on such matters of common interest to Institutes as may be referred to it by any Institute ;

(c) promote necessary coordination and co-operation in the working of the Institutes ;

(d) review the achievement of policy objectives ; and

(e) perform such other functions as may be referred to it by the Central Government.

(3) The Coordination Forum may constitute such committees as it may consider necessary for carrying out its functions under this section.

(4) The Chairperson of the Coordination Forum shall ordinarily preside at the meetings of the Coordination Forum and in his absence, any other member chosen by the members present amongst themselves at the meeting, shall preside at the meeting.

(5) The Coordination Forum shall submit a report on its functions under sub-section (2) to the Central Government.

(6) The Coordination Forum shall meet at least once in a calendar year.

(7) At each meeting of the Coordination Forum, the host institute, which would host the next meeting, shall be selected :

Provided that no Institute shall host the meeting for more than two consecutive years.

CHAPTER VI

MISCELLANEOUS

31. Acts and proceedings not to be invalidated by vacancies, etc.—No act of any Institute or the Board or the Academic Council or any other body set-up under this Act or the regulations, shall be invalid merely by reason of—

- (a) any vacancy or defect in the constitution thereof ; or
- (b) any irregularity in its procedure not affecting the merits of the case ; or
- (c) any defect in the selection, nomination or appointment of a person acting as a member thereof.

32. Returns and information to be provided to Central Government.—Every Institute shall furnish to the Central Government such returns or other information with respect to its policies or activities as the Central Government may, for the purpose of reporting to the Parliament or for the making of policy, from time to time, require.

33. Institute to be public authority under Right to Information Act.—(1) The provisions of the Right to Information Act, 2005 (22 of 2005) shall apply to each Institute, including Institutes established in public-private partnership, as if it were a public authority established by notification issued or order made under clause (h) of section 2 of the Right to Information Act, 2005 .

(2) A copy of every notification proposed to be issued or order to be made under the Act referred to in sub-section (1), shall be laid in draft before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in disapproving the issue of the notification or order or both Houses agree in making any modification in the notification or order, the notification or order shall not be issued or made, as the case may be, shall be issued or made only in such modified form as may be agreed upon by both the Houses.

34. Power of Central Government to make rules.—(1) The Central Government may, by notification, make rules, for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :—

- (a) such other powers and duties of the Board under clause (w) of sub-section (2) of section 11 ;
- (b) the term and conditions of service of the Director under sub-section (2) of section 16 ;
- (c) the travelling and such other allowances payable to the members of the Coordination Forum for attending its meetings or its Committees under sub-section (4) of section 29 ;
- (d) any other matter which is to be or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.

35. Power to make regulations.—(1) The Board may, by notification, make regulations not inconsistent with this Act and the rules made thereunder to carry out the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely :—

- (a) tenure, remuneration and terms and conditions of employees of existing Institute under clause (d) of section 5 ;
- (b) admission of candidates to the various courses of study under clause (b) of section 7 ;
- (c) the manner of nominating the members from the faculty of respective Institutes under clause (e) of sub-section (2) of section 10 ;
- (d) the conferment of honorary degrees under clause (g) of sub-section (2) of section 11 ;
- (e) the number of posts, emoluments and the duties and conditions of service of the academic, administrative, technical and other staff under clause (j) of sub-section (2) of section 11 ;

(f) determine performance objectives on the basis of which variable pay may be paid to the Director under clause (i) of sub-section (2) of section 11 ;

(g) to specify by regulations, the fees to be charged for course of study and examinations in the Institute under clause (m) of sub-section (2) of section 11 ;

(h) the manner of formation of Departments of teaching under clause (n) of sub-section (2) of section 11 ;

(i) the institution of fellowships, scholarships, exhibitions, medals and prizes under clause (o) of sub-section (2) of section 11 ;

(j) the qualifications, classification, terms of office and method of appointment of the academic, administrative, technical and other staff of the Institute under clause (p) of sub-section (2) of section 11 ;

(k) the constitution of pension, insurance and provident funds for the benefit of the academic, administrative, technical and other staff under clause (q) of sub-section (2) of section 11 ;

(l) the establishment and maintenance of buildings under clause (r) of sub-section (2) of section 11 ;

(m) the conditions of residence of students of the Institute and levying of fees for residence in the halls and hostels and of other charges under clause (s) of sub-section (2) of section 11 ;

(n) the manner of authentication of the orders and decisions of the Board under clause (t) of sub-section (2) of section 11 ;

(o) the meetings of the Board, the Academic Council or any Committee, the quorum at such meetings and the procedure to be followed in the conduct of their business under clause (u) of sub-section (2) of section 11 ;

(p) the financial accountability of the Institute under clause (v) of sub-section (2) of section 11 ;

(q) delegate such powers and functions of the Board to the Director under sub-section (3) of section 11 ;

(r) the qualifications, experience and the manner of selection of the independent agency or group of experts under sub-section (5) of section 11 ;

(s) allowances of the members of the Board for attending meetings under sub-section (6) of section 12 ;

(t) such other powers and functions of the Academic Council under sub-section (2) of section 15 ;

(u) the powers and duties of the Director under sub-section (4) of section 16 ;

(v) constitution of such committees and other authorities of the Institute and their duties and functions under sub-section (1) of section 20 ;

(w) the manner of depositing or investing the moneys credited to the Fund of every Institute under sub-section (2) of section 21 ;

(x) the manner of application of the Fund of the Institute under sub-section (4) of section 21 ; and

(y) any other matter which is to be or may be, specified by regulations.

36. Ordinances how made.—(1) Save as otherwise provided in this section, Ordinance shall be made by the Academic Council.

(2) Subject to the provisions of this Act and the rules and regulations made thereunder, the Ordinances of every Institute may provide for all or any of the following matters, namely :—

(a) the admission of students to the Institute ;

(b) the courses of study to be laid down for all degrees and diplomas of the Institute ;

(c) the conditions under which students shall be admitted to the degree or diploma courses and to the examinations of the Institute, and shall be eligible for degrees and diplomas ;

- (d) the conditions of award of the fellowships, scholarships, exhibitions, medals and prizes ;
- (e) the conditions and model of appointment and duties of examining bodies, examiners and moderators ;
- (f) the conduct of examinations ;
- (g) the maintenance of discipline among the students of the Institute ; and
- (h) any other matter which is to be or may be provided for by the Ordinances.

(3) All Ordinances made by the Academic Council shall have effect from such date as it may direct, but every Ordinance so made shall be submitted, as soon as may be, to the Board and shall be considered by the Board at its next meeting.

(4) The Board shall have power by resolution to modify or cancel any such Ordinance and such Ordinance shall from the date of such resolution stand modified accordingly or cancelled, as the case may be.

37. Rules and regulations to be laid before Parliament.—Every rule made by the Central Government and the first regulation made by the Board under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation shall not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be ; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

38. Power to remove difficulties.—(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the *Official Gazette*, make such provisions not inconsistent with the provisions of this Act, as may appear to it to be necessary or expedient for removing the difficulty :

Provided that no such order shall be made under this section after the expiry of the period of three years from the date of commencement of this Act.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

39. Transitional provisions.—(1) Notwithstanding anything contained in this Act :—

(a) the Board of every Institute functioning as such immediately before the commencement of this Act shall continue to so function until a new Board is constituted for that Institute under this Act, but on the constitution of a new Board under this Act, the members of the Board holding office before such constitution shall cease to hold office ;

(b) every Academic Council or Faculty Council, as the case may be, constituted in relation to every Institute before the commencement of this Act shall be deemed to be the Academic Council constituted under this Act until an Academic Council is constituted under this Act for that Institute, but on the constitution of the new Academic Council under this Act, the members of the Academic Council or Faculty Council, as the case may be, holding office before such constitution shall cease to hold office ;

(c) until the first regulations are made under this Act, the rules, and bye-laws of each Institute as in force, immediately before the commencement of this Act shall continue to apply to the Institute in so far as they are not inconsistent with the provisions of this Act.

(2) The Central Government may, without prejudice to the provisions of this Act, if it considers so necessary and expedient, by notification, take such measures, which may be necessary for the smooth transfer of the existing Institute to the corresponding Institute.

THE SCHEDULE

[See section 4(1)]

Sl. No. (1)	Name of the State (2)	Name of the existing Institute (3)	Location (4)	Name of Institute incorporated under this Act (5)
1.	West Bengal	Indian Institute of Management Calcutta, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Kolkata	Indian Institute of Management, Calcutta.
2.	Gujarat	Indian Institute of Management Ahmedabad, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Ahmedabad	Indian Institute of Management, Ahmedabad.
3.	Karnataka	Indian Institute of Management Bangalore, a Society registered under the Mysore Societies' Registration Act, 1960 (17 of 1960).	Bengaluru	Indian Institute of Management, Bangalore.
4.	Uttar Pradesh	Indian Institute of Management Lucknow a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Lucknow	Indian Institute of Management, Lucknow.
5.	Madhya Pradesh	Indian Institute of Management Indore, a Society registered under the Madhya Pradesh Societies Registration Act, 1973 (44 of 1973).	Indore	Indian Institute of Management, Indore.
6.	Kerala	Indian Institute of Management Kozhikode, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Kozhikode	Indian Institute of Management, Kozhikode.
7.	Meghalaya	Rajiv Gandhi Indian Institute of Management Shillong, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Shillong	Indian Institute of Management, Shillong.
8.	Haryana	Indian Institute of Management Rohtak, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Rohtak	Indian Institute of Management, Rohtak.
9.	Jharkhand	Indian Institute of Management Ranchi, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Ranchi	Indian Institute of Management, Ranchi.
10.	Chhattisgarh	Indian Institute of Management Raipur, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Raipur	Indian Institute of Management, Raipur.
11.	Tamil Nadu	Indian Institute of Management Tiruchirappalli, a Society registered under the Tamil Nadu Societies Registration Act, 1975.	Tiruchirappalli	Indian Institute of Management, Tiruchirappalli.

(1)	(2)	(3)	(4)	(5)
12. Uttarakhand	Indian Institute of Management Kashipur, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Kashipur		Indian Institute of Management, Kashipur.
13. Rajasthan	Indian Institute of Management Udaipur, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Udaipur		Indian Institute of Management, Udaipur.
14. Punjab	Indian Institute of Management Amritsar, a Society registered under the Societies Registration Act, 1860 (21 of 1860)	Amritsar		Indian Institute of Management, Amritsar.
15. Himachal Pradesh H.P.	Indian Institute of Management Sirmaur, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Sirmaur		Indian Institute of Management, Sirmaur.
16. Odisha	Indian Institute of Management Sambalpur, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Sambalpur		Indian Institute of Management, Sambalpur.
17. Andhra Pradesh	Indian Institute of Management Visakhapatnam, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Visakhapatnam		Indian Institute of Management, Visakhapatnam.
18. Maharashtra	Indian Institute of Management Nagpur, a Society Registered under the Societies Registration Act, 1860 (21 of 1860).	Nagpur		Indian Institute of Management, Nagpur.
19. Bihar	Indian Institute of Management Bodhgaya, a Society registered under the Societies Registration Act, 1860 (21 of 1860).	Bodhgaya		Indian Institute of Management, Bodhgaya.
20. Jammu and Kashmir	Indian Institute of Management Jammu, a Society registered under the Jammu and Kashmir Societies Registration Act, 1998 (VI of 1998.)	Jammu		Indian Institute of Management, Jammu.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 3rd January 2018 / Pausha 13, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 3rd January, 2018, and is hereby published for general information :—

THE COMPANIES (AMENDMENT) ACT, 2017

(No. 1 of 2018)

[3rd January, 2018.]

An Act further to amend the Companies Act, 2013.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows :—

1. Short title and commencement.—(1) This Act may be called the Companies (Amendment) Act, 2017.

(2) It shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint and different dates may be appointed for different provisions of this Act and any reference in any provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

2. Amendment of section 2.—In section 2 of the Companies Act, 2013 (18 of 2013) (hereinafter referred to as the principal Act),—

(i) in clause (6), for the *Explanation*, the following *Explanation* shall be substituted, namely :—
'Explanation.—For the purpose of this clause,—

(a) the expression “significant influence” means control of at least twenty per cent. of total voting power, or control of or participation in business decisions under an agreement ;

(b) the expression “joint venture” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement ;’ ;

(ii) for clause (28), the following clause shall be substituted, namely :—

“(28) “Cost Accountant” means a cost accountant as defined in clause (b) of sub-section (1) of section 2 of the Cost and Works Accountants Act, 1959 (23 of 1959) and who holds a valid certificate of practice under sub-section (1) of section 6 of that Act ;’ ;

(iii) in clause (30), the following proviso shall be inserted, namely :—

“Provided that—

(a) the instruments referred to in Chapter III-D of the Reserve Bank of India Act, 1934 (2 of 1934) ; and

(b) such other instrument, as may be prescribed by the Central Government in consultation with the Reserve Bank of India, issued by a company,

shall not be treated as debenture ;” ;

(iv) in clause (41), in the first proviso, after the word “subsidiary”, the words “or associate company” shall be inserted ;

(v) in clause (46), the following *Explanation* shall be inserted, namely :—

'*Explanation*.—For the purposes of this clause, the expression “company” includes any body corporate ;’ ;

(vi) clause (49) shall be omitted ;

(vii) in clause (51),—

(a) in sub-clause (iv), the word “and” shall be omitted ;

(b) for sub-clause (v), the following sub-clauses shall be substituted, namely :—

“(v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board ; and

(vi) such other officer as may be prescribed ; ” ;

(viii) in clause (57), for the words “and securities premium account”, the words “, securities premium account and debit or credit balance of profit and loss account,” shall be substituted ;

(ix) in clause (71), in sub-clause (a), after the word “company ;”, the word “and” shall be inserted ;

(x) in clause (72), in the proviso, in clause (A), after the words “State Act”, the words “other than this Act or the previous company law” shall be inserted ;

(xi) in clause (76), for sub-clause (viii), the following sub-clause shall be substituted, namely :—

“(viii) any body corporate which is—

(A) a holding, subsidiary or an associate company of such company ;

(B) a subsidiary of a holding company to which it is also a subsidiary ; or

(C) an investing company or the venturer of the company ; ” ;

Explanation.—For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

(xii) in clause (85),—

(a) in sub-clause (i), for the words “five crore rupees”, the words “ten crore rupees” shall be substituted ;

(b) in sub-clause (ii),—

(A) for the words “as per its last profit and loss account”, the words “as per profit and loss account for the immediately preceding financial year” shall be substituted ;

(B) for the words “twenty crore rupees”, the words “one hundred crore rupees” shall be substituted ;

(xiii) in clause (87), in sub-clause (ii), for the words “total share capital”, the words “total voting power” shall be substituted ;

(xiv) for clause (91), the following clause shall be substituted, namely :—

“(91) “turnover” means the gross amount of revenue recognised in the profit and loss account from the sale, supply, or distribution of goods or on account of services rendered, or both, by a company during a financial year ;”.

3. Insertion of new section 3A.—After section 3 of the principal Act, the following section shall be inserted, namely :—

“3A. Members severally liable in certain cases.—If at any time the number of members of a company is reduced, in the case of a public company, below seven, in the case of a private company, below two, and the company carries on business for more than six months while the number of members is so reduced, every person who is a member of the company during the time that it so carries on business after those six months and is cognisant of the fact that it is carrying on business with less than seven members or two members, as the case may be, shall be severally liable for the payment of the whole debts of the company contracted during that time, and may be severally sued therefor.”.

4. Amendment of section 4.—In section 4 of the principal Act, in sub-section (5), for clause (i), the following shall be substituted, namely :—

“(i) Upon receipt of an application under sub-section (4), the Registrar may, on the basis of information and documents furnished along with the application, reserve the name for a period of twenty days from the date of approval or such other period as may be prescribed :

Provided that, in case of an application for reservation of name or for change of its name by an existing company, the Registrar may reserve the name for a period of sixty days from the date of approval.”.

5. Amendment of section 7.—In section 7 of the principal Act, in sub-section (1), in item (c), for the words “an affidavit”, the words “a declaration” shall be substituted.

6. Amendment of section 12.—In section 12 of the principal Act,—

(i) in sub-section (1), for the words “on and from the fifteenth day of its incorporation”, the words “within thirty days of its incorporation” shall be substituted ;

(ii) in sub-section (4), for the words “within fifteen days”, the words “within thirty days” shall be substituted.

7. Amendment of section 21.—In section 21 of the principal Act, for the words “an officer of the company”, the words “an officer or employee of the company” shall be substituted.**8. Amendment of section 26.—In section 26 of the principal Act, in sub-section (1),—**

(i) after the words “signed and shall”, the following shall be inserted, namely :—

“state such information and set out such reports on financial information as may be specified by the Securities and Exchange Board in consultation with the Central Government :

Provided that until the Securities and Exchange Board specifies the information and reports on financial information under this sub-section, the regulations made by the Securities and Exchange Board under the Securities and Exchange Board of India Act, 1992 (15 of 1992), in respect of such financial information or reports on financial information shall apply.” ;

(ii) clauses (a), (b) and (d) shall be omitted.

9. Amendment of section 35.—In section 35 of the principal Act, in sub-section (2), after clause (b), the following clause shall be inserted, namely :—

“(c) that, as regards every misleading statement purported to be made by an expert or contained in what purports to be a copy of or an extract from a report or valuation of an expert, it was a correct and fair representation of the statement, or a correct copy of, or a correct and fair extract from, the report or valuation ; and he had reasonable ground to believe and did up to the time of the issue of the prospectus believe, that the person making the statement was competent to make it and that the said person had given the consent required by sub-section (5) of section 26 to the issue of the prospectus and had not withdrawn that consent before delivery of a copy of the prospectus for registration or, to the defendant’s knowledge, before allotment thereunder.”.

10. Substitution of new section for section 42.—For section 42 of the principal Act, the following section shall be substituted, namely :—

‘42. Issue of shares on private placement basis.—(1) A company may, subject to the provisions of this section, make a private placement of securities.

(2) A private placement shall be made only to a select group of persons who have been identified by the Board (herein referred to as “identified persons”), whose number shall not exceed fifty or such higher number as may be prescribed [excluding the qualified institutional buyers and employees of the company being offered securities under a scheme of employees stock option in terms of provisions of clause (b) of sub-section (1) of section 62], in a financial year subject to such conditions as may be prescribed.

(3) A company making private placement shall issue private placement offer and application in such form and manner as may be prescribed to identified persons, whose names and addresses are recorded by the company in such manner as may be prescribed :

Provided that the private placement offer and application shall not carry any right of renunciation.

Explanation I.—“private placement” means any offer or invitation to subscribe or issue of securities to a select group of persons by a company (other than by way of public offer) through private placement offer-cum-application, which satisfies the conditions specified in this section.

Explanation II.—“qualified institutional buyer” means the qualified institutional buyer as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992).

Explanation III.—If a company, listed or unlisted, makes an offer to allot or invites subscription, or allots, or enters into an agreement to allot, securities to more than the prescribed number of persons, whether the payment for the securities has been received or not or whether the company intends to list its securities or not on any recognised stock exchange in or outside India, the same shall be deemed to be an offer to the public and shall accordingly be governed by the provisions of Part I of this Chapter.

(4) Every identified person willing to subscribe to the private placement issue shall apply in the private placement and application issued to such person alongwith subscription money paid either by cheque or demand draft or other banking channel and not by cash :

Provided that a company shall not utilise monies raised through private placement unless allotment is made and the return of allotment is filed with the Registrar in accordance with sub-section (8).

(5) No fresh offer or invitation under this section shall be made unless the allotments with respect to any offer or invitation made earlier have been completed or that offer or invitation has been withdrawn or abandoned by the company :

Provided that, subject to the maximum number of identified persons under sub-section (2), a company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed.

(6) A company making an offer or invitation under this section shall allot its securities within sixty days from the date of receipt of the application money for such securities and if the company is not able to allot the securities within that period, it shall repay the application money to the subscribers within fifteen days from the expiry of sixty days and if the company fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest at the rate of twelve per cent. per annum from the expiry of the sixtieth day :

Provided that monies received on application under this section shall be kept in a separate bank account in a scheduled bank and shall not be utilised for any purpose other than—

(a) for adjustment against allotment of securities ; or

(b) for the repayment of monies where the company is unable to allot securities.

(7) No company issuing securities under this section shall release any public advertisements or utilise any media, marketing or distribution channels or agents to inform the public at large about such an issue.

(8) A company making any allotment of securities under this section, shall file with the Registrar a return of allotment within fifteen days from the date of the allotment in such manner as may be prescribed, including a complete list of all allottees, with their full names, addresses, number of securities allotted and such other relevant information as may be prescribed.

(9) If a company defaults in filing the return of allotment within the period prescribed under sub-section (8), the company, its promoters and directors shall be liable to a penalty for each default of one thousand rupees for each day during which such default continues but not exceeding twenty-five lakh rupees.

(10) Subject to sub-section (11), if a company makes an offer or accepts monies in contravention of this section, the company, its promoters and directors shall be liable for a penalty which may extend to the amount raised through the private placement or two crore rupees, whichever is lower, and the company shall also refund all monies with interest as specified in sub-section (6) to subscribers within a period of thirty days of the order imposing the penalty.

(11) Notwithstanding anything contained in sub-section (9) and sub-section (10), any private placement issue not made in compliance of the provisions of sub-section (2) shall be deemed to be a public offer and all the provisions of this Act and the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) shall be applicable.

11. Amendment of section 47.—In section 47, in sub-section (1), for the words, figures and brackets “provisions of section 43 and sub-section (2) of section 50”, the words, figures and brackets “provisions of section 43, sub-section (2) of section 50 and sub-section (1) of section 188” shall be substituted.

12. Amendment of section 53.—In section 53 of the principal Act,—

(i) in sub-section (2), for the words “discounted price”, the word “discount” shall be substituted ;

(ii) after sub-section (2), the following sub-section shall be inserted, namely :—

“(2A) Notwithstanding anything contained in sub-sections (1) and (2), a company may issue shares at a discount to its creditors when its debt is converted into shares in pursuance of any statutory resolution plan or debt restructuring scheme in accordance with any guidelines or directions or regulations specified by the Reserve Bank of India under the Reserve Bank of India Act, 1934 (2 of 1934) or the Banking (Regulation) Act, 1949. (10 pf 1949).”.

13. Amendment of section 54.—In section 54, in sub-section (1), clause (c) shall be omitted.

14. Amendment of section 62.—In section 62 of the principal Act,—

(i) in sub-section (1), in clause (c), for the words “of a registered valuer subject to such conditions as may be prescribed”, the words and figures “of a registered valuer, subject to the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed” shall be substituted ;

(ii) for sub-section (2), the following sub-section shall be substituted, namely :—

“(2) The notice referred to in sub-clause (i) of clause (a) of sub-section (1) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.”.

15. Amendment of section 73.—In section 73 of the principal Act, in sub-section (2),—

(i) for clause (c), the following clause shall be substituted, namely :—

“(c) depositing, on or before the thirtieth day of April each year, such sum which shall not be less than twenty per cent. of the amount of its deposits maturing during the following financial year and kept in a scheduled bank in a separate bank account to be called deposit repayment reserve account ;” ;

(ii) clause (d) shall be omitted ;

(iii) in clause (e), for the words “such deposits ;”, the following shall be substituted, namely :—

“such deposits and where a default had occurred, the company made good the default and a period of five years had lapsed since the date of making good the default ;”.

16. Amendment of section 74.—In section 74, in sub-section (1), for clause (b), the following clause shall be substituted, namely :—

“(b) repay within three years from such commencement or on or before expiry of the period for which the deposits were accepted, whichever is earlier :

Provided that renewal of any such deposits shall be done in accordance with the provisions of Chapter V and the rules made thereunder.”.

17. Amendment of section 76A.—In section 76A of the principal Act,—

(a) in clause (a), for the words, “one crore rupees”, the words “one crore rupees or twice the amount of deposit accepted by the company, whichever is lower” shall be substituted ;

(b) in clause (b),—

(i) for the words “seven years or with fine”, the words “seven years and with fine” shall be substituted ;

(ii) the words “or with both” shall be omitted.

18. Amendment of section 77.—In section 77 of the principal Act, in sub-section (1), after the third proviso, the following proviso shall be inserted, namely :—

“Provided also that this section shall not apply to such charges as may be prescribed in consultation with the Reserve Bank of India.”.

19. Amendment of section 78.—In section 78 of the principal Act, for the words and figures “register the charge within the period specified in section 77”, the words, brackets and figures “register the charge within the period of thirty days referred to in sub-section (1) of section 77” shall be substituted.

20. Amendment of section 82.—In section 82 of the principal Act, in sub-section (1),—

(i) the words, brackets and figures “and the provisions of sub-section (1) of section 77 shall, as far as may be, apply to an intimation given under this section” shall be omitted ;

(ii) the following proviso shall be inserted, namely :—

“Provided that the Registrar may, on an application by the company or the charge holder, allow such intimation of payment or satisfaction to be made within a period of three hundred days of such payment or satisfaction on payment of such additional fees as may be prescribed.”.

21. Amendment of section 89.—In section 89 of the principal Act,—

(i) in sub-section (6), the words and figures, “within the time specified under section 403” shall be omitted ;

(ii) in sub-section (7), for the words and figures, “under the first proviso to sub-section (1) of section 403”, the word “therein”, shall be substituted ;

(iii) after sub-section (9), the following sub-section shall be inserted, namely :—

“(10) For the purposes of this section and section 90, beneficial interest in a share includes, directly or indirectly, through any contract, arrangement or otherwise, the right or entitlement of a person alone or together with any other person to—

(i) exercise or cause to be exercised any or all of the rights attached to such share ; or

(ii) receive or participate in any dividend or other distribution in respect of such share.”.

22. Substitution of new section for section 90.—For section 90 of the principal Act, the following section shall be substituted, namely :—

'90. Register of significant beneficial owners in a company.—(1) Every individual, who acting alone or together, or through one or more persons or trust, including a trust and persons resident outside India, holds beneficial interests, of not less than twenty-five per cent. or such other percentage as may be prescribed, in shares of a company or the right to exercise, or the actual exercising of significant influence or control as defined in clause (27) of section 2, over the company (herein referred to as “significant beneficial owner”), shall make a declaration to the company, specifying the nature of his interest and other particulars, in such manner and within such period of acquisition of the beneficial interest or rights and any change thereof, as may be prescribed :

Provided that the Central Government may prescribe a class or classes of persons who shall not be required to make declaration under this sub-section.

(2) Every company shall maintain a register of the interest declared by individuals under sub-section (1) and changes therein which shall include the name of individual, his date of birth, address, details of ownership in the company and such other details as may be prescribed.

(3) The register maintained under sub-section (2) shall be open to inspection by any member of the company on payment of such fees as may be prescribed.

(4) Every company shall file a return of significant beneficial owners of the company and changes therein with the Registrar containing names, addresses and other details as may be prescribed within such time, in such form and manner as may be prescribed.

(5) A company shall give notice, in the prescribed manner, to any person (whether or not a member of the company) whom the company knows or has reasonable cause to believe—

(a) to be a significant beneficial owner of the company ;

(b) to be having knowledge of the identity of a significant beneficial owner or another person likely to have such knowledge ; or

(c) to have been a significant beneficial owner of the company at any time during the three years immediately preceding the date on which the notice is issued,

and who is not registered as a significant beneficial owner with the company as required under this section.

(6) The information required by the notice under sub-section (5) shall be given by the concerned person within a period not exceeding thirty days of the date of the notice.

(7) The company shall,—

(a) where that person fails to give the company the information required by the notice within the time specified therein ; or

(b) where the information given is not satisfactory,

apply to the Tribunal within a period of fifteen days of the expiry of the period specified in the notice, for an order directing that the shares in question be subject to restrictions with regard to transfer of interest, suspension of all rights attached to the shares and such other matters as may be prescribed.

(8) On any application made under sub-section (7), the Tribunal may, after giving an opportunity of being heard to the parties concerned, make such order restricting the rights attached with the shares within a period of sixty days of receipt of application or such other period as may be prescribed.

(9) The company or the person aggrieved by the order of the Tribunal may make an application to the Tribunal for relaxation or lifting of the restrictions placed under sub-section (8).

(10) If any person fails to make a declaration as required under sub-section (1), he shall be punishable with fine which shall not be less than one lakh rupees but which may extend to ten lakh rupees and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.

(11) If a company, required to maintain register under sub-section (2) and file the information under sub-section (4), fails to do so or denies inspection as provided therein, the company and every officer of the company who is in default shall be punishable with fine which shall not be less than ten lakh rupees but which may extend to fifty lakh rupees and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.

(12) If any person wilfully furnishes any false or incorrect information or suppresses any material information of which he is aware in the declaration made under this section, he shall be liable to action under section 447.'.

23. Amendment of section 92.—In section 92 of the principal Act,—

(i) in sub-section (1),—

(a) clause (c) shall be omitted ;

(b) in clause (j), the words “indicating their names, addresses, countries of incorporation, registration and percentage of shareholding held by them” shall be omitted ;

(c) after the proviso, the following proviso shall be inserted, namely :—

‘ Provided further that the Central Government may prescribe abridged form of annual return for “One Person Company, small company and such other class or classes of companies as may be prescribed”.'.

(ii) for sub-section (3), the following sub-section shall be substituted, namely :—

“(3) Every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report.”.

(iii) in sub-section (4), the words and figures, “within the time as specified, under section 403” shall be omitted ;

(iv) in sub-section (5), for the words and figures, “under section 403 with additional fees” the word “therein” shall be substituted.

24. Omission of section 93.—Section 93 of the principal Act shall be omitted.

25. Amendment of section 94.—In section 94 of the principal Act,—

(i) in sub-section (1), in the first proviso, the words “and the Registrar has been given a copy of the proposed special resolution in advance” shall be omitted ;

(ii) in sub-section (3), the following proviso shall be inserted, namely :—

“Provided that such particulars of the register or index or return as may be prescribed shall not be available for inspection under sub-section (2) or for taking extracts or copies under this sub-section.”.

26. Amendment of section 96.—In section 96 of the principal Act, in sub-section (2), in the proviso, for the words

“Provided that”, the following shall be substituted, namely :—

“Provided that annual general meeting of an unlisted company may be held at any place in India if consent is given in writing or by electronic mode by all the members in advance :

Provided further that”.

27. Amendment of section 100.—In section 100 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely :—

“Provided that an extraordinary general meeting of the company, other than of the wholly owned subsidiary of a company incorporated outside India, shall be held at a place within India.”.

28. Amendment of section 101.—In section 101 of the principal Act, in sub-section (1), for the proviso, the following proviso shall be substituted, namely :—

“Provided that a general meeting may be called after giving shorter notice than that specified in this sub-section if consent, in writing or by electronic mode, is accorded thereto—

(i) in the case of an annual general meeting, by not less than ninety-five per cent. of the members entitled to vote thereat ; and

(ii) in the case of any other general meeting, by members of the company—

(a) holding, if the company has a share capital, majority in number of members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting ; or

(b) having, if the company has no share capital, not less than ninety-five per cent. of the total voting power exercisable at that meeting :

Provided further that where any member of a company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this sub-section in respect of the former resolution or resolutions and not in respect of the latter.”.

29. Amendment of section 110.—In section 110 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely :—

“Provided that any item of business required to be transacted by means of postal ballot under clause (a), may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section 108, in the manner provided in that section.”.

30. In section 117 of the principal Act,—

(i) in sub-section (1), the words and figures “within the time specified under section 403” shall be omitted ;

(ii) in sub-section (2),—

(a) for the words and figures “under section 403 with additional fees”, the word “therein” shall be substituted ;

(b) for the words “not be less than five lakh rupees”, the words “not be less than one lakh rupees” shall be substituted ;

(c) for the words “one lakh rupees”, the words “fifty thousand rupees” shall be substituted ;

(iii) in sub-section (3),—

(a) clause (e) shall be omitted ;

(b) in clause (g), in the proviso, the word “and” shall be omitted and the following proviso shall be inserted, namely :—

“Provided further that nothing contained in this clause shall apply to a banking company in respect of a resolution passed to grant loans, or

give guarantee or provide security in respect of loans under clause (f) of sub-section (3) of section 179 in the ordinary course of its business ; and.”.

31. Amendment of section 121.—In section 121 of the principal Act,—

(i) in sub-section (2), the words and figures “within the time as specified, under section 403” shall be omitted ;

(ii) in sub-section (3), for the words and figures “under section 403 with additional fees”, the word “therein” shall be substituted.

32. Amendment of section 123.—In section 123 of the principal Act,—

(a) in sub-section (1),—

(i) in clause (a),—

(A) for the words “both ; or”, the word “both :” shall be substituted ;

(B) the following proviso shall be inserted, namely :—

“Provided that in computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded ; or” ;

(ii) in the second proviso, for the words “transferred by the company to the reserves”, the words “transferred by the company to the free reserves” shall be substituted ;

(b) for sub-section (3), the following sub-section shall be substituted, namely :—

“(3) The Board of Directors of a company may declare interim dividend during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend :

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during immediately preceding three financial years.”.

33. Amendment of section 129.—In section 129 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely :—

“(3) Where a company has one or more subsidiaries or associate companies, it shall, in addition to financial statements provided under sub-section (2), prepare a consolidated financial statement of the company and of all the subsidiaries and associate companies in the same form and manner as that of its own and in accordance with applicable accounting standards, which shall also be laid before the annual general meeting of the company along with the laying of its financial statement under sub-section (2) :

Provided that the company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries and associate company or companies in such form as may be prescribed :

Provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed.”.

34. Amendment of section 130.—In section 130 of the principal Act,—

(i) in sub-section (1), in the proviso,—

(a) after the words “regulatory body or authorities concerned”, the words “or any other person concerned” shall be inserted ;

(b) after the words “the body or authority concerned”, the words “or the other person concerned” shall be inserted ;

(ii) after sub-section (2), the following sub-section shall be inserted, namely :—

“(3) No order shall be made under sub-section (1) in respect of re-opening of books of account relating to a period earlier than eight financial years immediately preceding the current financial year :

Provided that where a direction has been issued by the Central Government under the proviso to sub-section (5) of section 128 for keeping of books of account for a period longer than eight years, the books of account may be ordered to be re-opened within such longer period.”.

35. Amendment of section 132.—In section 132 of the principal Act,—

(i) in sub-section (4), in clause (c), in sub-clause (A), in item (II), for the words “ten lakh rupees”, the words “five lakh rupees” shall be substituted ;

(ii) in sub-section (5), for the words, brackets and figure “the Appellate Authority constituted under sub-section (6) in such manner as may be prescribed”, the words “the Appellate Tribunal in such manner and on payment of such fee as may be prescribed” shall be substituted ;

(iii) sub-sections (6), (7), (8) and (9) shall be omitted.

36. Amendment of section 134.—In section 134 of the principal Act,—

(a) for sub-section (1), the following sub-section shall be substituted, namely :—

“(1) The financial statement, including consolidated financial statement, if any, shall be approved by the Board of Directors before they are signed on behalf of the Board by the chairperson of the company where he is authorised by the Board or by two directors out of which one shall be managing director, if any, and the Chief Executive Officer, the Chief Financial Officer and the company secretary of the company, wherever they are appointed, or in the case of One Person Company, only by one director, for submission to the auditor for his report thereon.” ;

(b) in sub-section (3),—

(i) for clause (a), the following clause shall be substituted, namely :—

“(a) the web address, if any, where annual return referred to in sub-section (3) of section 92 has been placed ;” ;

(ii) in clause (p), for the words “annual evaluation has been made by the Board of its own performance and that of its committees and individual directors”, the words “annual evaluation of the performance of the Board, its Committees and of individual directors has been made” shall be substituted ;

(iii) after clause (q), the following provisos shall be inserted, namely :—

“Provided that where disclosures referred to in this sub-section have been included in the financial statements, such disclosures shall be referred to instead of being repeated in the Board's report :

Provided further that where the policy referred to in clause (e) or clause (o) is made available on company's website, if any, it shall be sufficient compliance of the requirements under such clauses if the salient features of the policy and any change therein are specified in brief in the Board's report and the web-address is indicated therein at which the complete policy is available.” ;

(c) after sub-section (3), the following sub-section shall be inserted, namely :—

“(3A) The Central Government may prescribe an abridged Board's report, for the purpose of compliance with this section by One Person Company or small company.”.

37. Amendment of section 135.—In section 135 of the principal Act,—

(i) in sub-section (1),—

(a) for the words “any financial year”, the words “the immediately preceding financial year” shall be substituted ;

(b) the following proviso shall be inserted, namely :—

“Provided that where a company is not required to appoint an independent director under sub-section (4) of section 149, it shall have in its Corporate Social Responsibility Committee two or more directors.” ;

(ii) in sub-section (3), in clause (a), for the words and figures “as specified in Schedule VII”, the words and figures “in areas or subject, specified in Schedule VII” shall be substituted ;

(iii) in sub-section (5), for the *Explanation*, the following *Explanation* shall be substituted, namely :—

‘*Explanation.*—For the purposes of this section “net profit” shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of section 198.’.

38. Amendment of section 136.—In section 136 of the principal Act,—

(i) in sub-section (1),—

(a) the words and figures “Without prejudice to the provisions of section 101,” shall be omitted ;

(b) in the first proviso, for the words “Provided that”, the following shall be substituted, namely :—

“Provided that if the copies of the documents are sent less than twenty-one days before the date of the meeting, they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by members—

(a) holding, if the company has a share capital, majority in number entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting ; or

(b) having, if the company has no share capital, not less than ninety-five per cent. of the total voting power exercisable at the meeting :

Provided further that” ;

(c) in the second proviso, for the words “Provided further”, the words, “Provided also” shall be substituted ;

(d) for the fourth proviso, the following provisos shall be substituted, namely :—

‘Provided also that every listed company having a subsidiary or subsidiaries shall place separate audited accounts in respect of each of subsidiary on its website, if any :

Provided also that a listed company which has a subsidiary incorporated outside India (herein referred to as “foreign subsidiary”)—

(a) where such foreign subsidiary is statutorily required to prepare consolidated financial statement under any law of the country of its incorporation, the requirement of this proviso shall be met if consolidated financial statement of such foreign subsidiary is placed on the website of the listed company ;

(b) where such foreign subsidiary is not required to get its financial statement audited under any law of the country of its incorporation and which does not get such financial statement audited, the holding Indian listed company may place such unaudited financial statement on its website and where such financial statement is in a language other than English, a translated copy of the financial statement in English shall also be placed on the website.’ ;

(ii) in sub-section (2), the following proviso shall be inserted, namely :—

“Provided that every company having a subsidiary or subsidiaries shall provide a copy of separate audited or unaudited financial statements, as the case may be, as prepared in respect of each of its subsidiary to any member of the company who asks for it.”.

39. Amendment of section 137.—In section 137 of the principal Act,—

(i) in sub-section (1),—

(a) the words and figures “within the time specified under section 403” shall be omitted ;

(b) in the second proviso, the words and figures “within the time specified under section 403” shall be omitted ;

(c) after the fourth proviso, the following proviso shall be inserted, namely :—

‘ Provided also that in the case of a subsidiary which has been incorporated outside India (herein referred to as “foreign subsidiary”), which is not required to get its financial statement audited under any law of the country of its incorporation and which does not get such financial statement audited, the requirements of the fourth proviso shall be met if the holding Indian

company files such unaudited financial statement along with a declaration to this effect and where such financial statement is in a language other than English, along with a translated copy of the financial statement in English.'.

(ii) in sub-section (2), the words and figures "within the time specified, under section 403" shall be omitted ;

(iii) in sub-section (3), for the words and figures "in section 403", the word "therein" shall be substituted.

40. Amendment of section 139.—In section 139 of the principal Act, in sub-section (1), the first proviso shall be omitted.

41. Amendment of section 140.—In section 140 of the principal Act, in sub-section (3), for the words "fifty thousand rupees", the words "fifty thousand rupees or the remuneration of the auditor, whichever is less," shall be substituted.

42. Amendment of section 141.—In section 141 of the principal Act, in sub-section (3), for clause (i), the following clause shall be substituted, namely :—

'(i) a person who, directly or indirectly, renders any service referred to in section 144 to the company or its holding company or its subsidiary company.

Explanation.—For the purposes of this clause, the term "directly or indirectly" shall have the meaning assigned to it in the *Explanation* to section 144.'

43. Amendment of section 143.—In section 143 of the principal Act,—

(i) in sub-section (1), in the proviso, for the words "its subsidiaries", at both the places, the words "its subsidiaries and associate companies" shall be substituted ;

(ii) in sub-section (3), in clause (i), for the words "internal financial controls system", the words "internal financial controls with reference to financial statements" shall be substituted ;

(iii) in sub-section (14), in clause (a), for the words "cost accountant in practice", the words "cost accountant" shall be substituted.

44. Amendment of section 147.—In section 147 of the principal Act,—

(i) in sub-section (2),—

(a) after the words "five lakh rupees", the words "or four times the remuneration of the auditor, whichever is less" shall be inserted ;

(b) in the proviso, for the words "and with fine which shall not be less than one lakh rupees but which may extend to twenty-five lakh rupees", the words "and with fine which shall not be less than fifty thousand rupees but which may extend to twenty-five lakh rupees or eight times the remuneration of the auditor, whichever is less" shall be substituted ;

(ii) in sub-section (3), in clause (ii), for the words "or to any other persons", the words "or to members or creditors of the company" shall be substituted ;

(iii) in sub-section (5), the following proviso shall be inserted, namely :—

"Provided that in case of criminal liability of an audit firm, in respect of liability other than fine, the concerned partner or partners, who acted in a fraudulent manner or abetted or, as the case may be, colluded in any fraud shall only be liable."

45. Amendment of section 148.—In section 148 of the principal Act,—

(i) in sub-section (3),—

(a) for the words "Cost Accountant in practice", the words "cost accountant" shall be substituted ;

(b) in the *Explanation*, for the words "Institute of Cost and Works Accountants of India", the words "Institute of Cost Accountants of India" shall be substituted ;

(ii) in sub-section (5), in the proviso, for the words "cost accountant in practice", the words "cost accountant" shall be substituted.

46. Amendment of section 149.—In section 149 of the principal Act,—

(i) for sub-section (3), the following sub-section shall be substituted, namely :—

“(3) Every company shall have at least one director who stays in India for a total period of not less than one hundred and eighty-two days during the financial year :

Provided that in case of a newly incorporated company the requirement under this sub-section shall apply proportionately at the end of the financial year in which it is incorporated.” ;

(ii) in sub-section (6),—

(a) in clause (c), for the words “pecuniary relationship”, the words “pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed,” shall be substituted ;

(b) for clause (d), the following clause shall be substituted, namely :—

“(d) none of whose relatives—

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year :

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed ;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year ;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year ; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii) ;” ;

(c) in clause (e), in sub-clause (i), the following proviso shall be inserted, namely :

“Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.”.

47. Amendment of section 152.—In section 152 of the principal Act,—

(a) in sub-section (3), after the word and figures “section 154”, the words and figures “or any other number as may be prescribed under section 153” shall be inserted ;

(b) in sub-section (4), after the word “Number”, the words and figures “or such other number as may be prescribed under section 153” shall be inserted.

48. Amendment of section 153.—In section 153 of the principal Act, the following proviso shall be inserted, namely :—

“Provided that the Central Government may prescribe any identification number which shall be treated as Director Identification Number for the purposes of this Act and in case any individual holds or acquires such identification number, the requirement of this section shall not apply or apply in such manner as may be prescribed.”.

49. Amendment of section 157.—In section 157 of the principal Act,—

(i) in sub-section (1), the words and figures, “within the time specified under section 403” shall be omitted ;

(ii) in sub-section (2), the words and figures, “before the expiry of the period specified under section 403 with additional fee”, shall be omitted.

50. Amendment of section 160.—In section 160 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely :—

“Provided that requirements of deposit of amount shall not apply in case of appointment of an independent director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee.”.

51. Amendment of section 161.—In section 161 of the principal Act,—

(i) in sub-section (2), after the words “alternate directorship for any other director in the company”, the words “or holding directorship in the same company” shall be inserted ;

(ii) in sub-section (4),—

(a) the words “In the case of a public company,” shall be omitted ;

(b) after the words “meeting of the Board”, the words “which shall be subsequently approved by members in the immediate next general meeting” shall be inserted.

52. Amendment of section 164.—In section 164 of the principal Act,—

(i) in sub-section (2), the following proviso shall be inserted, namely :—

“Provided that where a person is appointed as a director of a company which is in default of clause (a) or clause (b), he shall not incur the disqualification for a period of six months from the date of his appointment.” ;

(ii) in sub-section (3), for the proviso, the following proviso shall be substituted, namely :—

“Provided that the disqualifications referred to in clauses (d), (e) and (g) of sub-section (1) shall continue to apply even if the appeal or petition has been filed against the order of conviction or disqualification.”.

53. Amendment of section 165.—In section 165 of the principal Act, in sub-section (1), the *Explanation* shall be renumbered as *Explanation I* and after *Explanation I* as so numbered, the following *Explanation* shall be inserted, namely :—

“*Explanation II.*—For reckoning the limit of directorships of twenty companies, the directorship in a dormant company shall not be included.”.

54. Amendment of section 167.—In section 167 of the principal Act, in sub-section (1),—

(i) in clause (a), the following proviso shall be inserted, namely :—

“Provided that where he incurs disqualification under sub-section (2) of section 164, the office of the director shall become vacant in all the companies, other than the company which is in default under that sub-section.” ;

(ii) in clause (f), for the proviso the following proviso shall be substituted, namely,—

“Provided that the office shall not be vacated by the director in case of orders referred to in clauses (e) and (f)—

(i) for thirty days from the date of conviction or order of disqualification ;

(ii) where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date on which such appeal or petition is disposed of ; or

(iii) where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed of.”.

55. Amendment of section 168.—In section 168 of the principal Act, in sub-section (1), in the proviso, for the words, “director shall also forward”, the words “director may also forward” shall be substituted.

56. Amendment of section 173.—In section 173 of the principal Act, in sub-section (2), after the first proviso, the following proviso shall be inserted, namely :—

“Provided further that where there is quorum in a meeting through physical presence of directors, any other director may participate through video conferencing or other audio visual means in such meeting on any matter specified under the first proviso.”.

57. Amendment of section 177.—In section 177 of the principal Act,—

(i) in sub-section (1), for the words “every listed company”, the words “every listed public company” shall be substituted ;

(ii) in sub-section (4), in clause (iv), after the proviso, the following provisos shall be inserted, namely :—

“Provided further that in case of transaction, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board :

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any director or is authorised by any other director, the director concerned shall indemnify the company against any loss incurred by it :

Provided also that the provisions of this clause shall not apply to a transaction, other than a transaction referred to in section 188, between a holding company and its wholly owned subsidiary company.”.

58. Amendment of section 178.—In section 178 of the principal Act,—

(i) in sub-section (1), for the words “every listed company”, the words “every listed public company” shall be substituted ;

(ii) in sub-section (2), for the words “shall carry out evaluation of every director’s performance”, the words “shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance” shall be substituted ;

(iii) in sub-section (4), in clause (c), for the proviso, the following proviso shall be substituted, namely :—

“Provided that such policy shall be placed on the website of the company, if any, and the salient features of the policy and changes therein, if any, along with the web address of the policy, if any, shall be disclosed in the Board’s report.” ;

(iv) in sub-section (8), in the proviso, for the words “non-consideration of resolution of any grievance”, the words “inability to resolve or consider any grievance” shall be substituted.

59. Amendment of section 180.—In section 180 of the principal Act, in sub-section (1), in clause (c), for the words “paid-up share capital and free reserves”, the words “paid-up share capital, free reserves and securities premium” shall be substituted.**60. Amendment of section 184.—In section 184 of the principal Act,—**

(i) in sub-section (4), the words “shall not be less than fifty thousand rupees but which” shall be omitted ;

(ii) in sub-section (5), for clause (b), the following clause shall be substituted, namely :—

“(b) shall apply to any contract or arrangement entered into or to be entered into between two companies or between one or more companies and one or more bodies corporate where any of the directors of the one company or body corporate or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company or the body corporate.”.

61. Substitution of new section for section 185. —For section 185 of the principal Act, the following section shall be substituted, namely :—

185. Loans to directors, etc.—(1) No company shall, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by,—

(a) any director of company, or of a company which is its holding company or any partner or relative of any such director ; or

(b) any firm in which any such director or relative is a partner.

(2) A company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that—

(a) a special resolution is passed by the company in general meeting :

Provided that the explanatory statement to the notice for the relevant general meeting shall disclose the full particulars of the loans given, or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security and any other relevant fact ; and

(b) the loans are utilised by the borrowing company for its principal business activities.

Explanation.—For the purposes of this sub-section, the expression “any person in whom any of the director of the company is interested” means—

(a) any private company of which any such director is a director or member ;

(b) any body corporate at a general meeting of which not less than twenty-five per cent. of the total voting power may be exercised or controlled by any such director, or by two or more such directors, together ; or

(c) any body corporate, the Board of directors, managing director or manager, whereof is accustomed to act in accordance with the directions or instructions of the Board, or of any director or directors, of the lending company.

(3) Nothing contained in sub-sections (1) and (2) shall apply to—

(a) the giving of any loan to a managing or whole-time director—

(i) as a part of the conditions of service extended by the company to all its employees ; or

(ii) pursuant to any scheme approved by the members by a special resolution ; or

(b) a company which in the ordinary course of its business provides loans or gives guarantees or securities for the due repayment of any loan and in respect of such loans an interest is charged at a rate not less than the rate of prevailing yield of one year, three years, five years or ten years Government security closest to the tenor of the loan ; or

(c) any loan made by a holding company to its wholly owned subsidiary company or any guarantee given or security provided by a holding company in respect of any loan made to its wholly owned subsidiary company ; or

(d) any guarantee given or security provided by a holding company in respect of loan made by any bank or financial institution to its subsidiary company :

Provided that the loans made under clauses (c) and (d) are utilised by the subsidiary company for its principal business activities.

(4) If any loan is advanced or a guarantee or security is given or provided or utilised in contravention of the provisions of this section,—

(i) the company shall be punishable with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees ;

(ii) every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees ; and

(iii) the director or the other person to whom any loan is advanced or guarantee or security is given or provided in connection with any loan taken by him or the other person, shall be punishable with imprisonment which may extend to six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees, or with both.’

62. Amendment of section 186.—In section 186 of the principal Act,—

(i) in sub-section (2), the following *Explanation* shall be inserted, namely :—

‘*Explanation.*—For the purposes of this sub-section, the word “person” does not include any individual who is in the employment of the company.’ ;

(ii) for sub-section (3), the following sub-section shall be substituted, namely :—

'(3) Where the aggregate of the loans and investment so far made, the amount for which guarantee or security so far provided to or in all other bodies corporate along with the investment, loan, guarantee or security proposed to be made or given by the Board, exceed the limits specified under sub-section (2), no investment or loan shall be made or guarantee shall be given or security shall be provided unless previously authorised by a special resolution passed in a general meeting :

Provided that where a loan or guarantee is given or where a security has been provided by a company to its wholly owned subsidiary company or a joint venture company, or acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, the requirement of this sub-section shall not apply :

Provided further that the company shall disclose the details of such loans or guarantee or security or acquisition in the financial statement as provided under sub-section (4).".

(iii) for sub-section (11), the following sub-section shall be substituted, namely :—

"(11) Nothing contained in this section, except sub-section (1), shall apply—

(a) to any loan made, any guarantee given or any security provided or any investment made by a banking company, or an insurance company, or a housing finance company in the ordinary course of its business, or a company established with the object of and engaged in the business of financing industrial enterprises, or of providing infrastructural facilities ;

(b) to any investment—

(i) made by an investment company ;

(ii) made in shares allotted in pursuance of clause (a) of sub-section (1) of section 62 or in shares allotted in pursuance of rights issues made by a body corporate ;

(iii) made, in respect of investment or lending activities, by a non-banking financial company registered under Chapter III-B of the Reserve Bank of India Act, 1934 (2 of 1934) and whose principal business is acquisition of securities." ;

(iv) in the *Explanation*, in clause (a), after the words "other securities" the following shall be inserted, namely :—

"and a company will be deemed to be principally engaged in the business of acquisition of shares, debentures or other securities, if its assets in the form of investment in shares, debentures or other securities constitute not less than fifty per cent. of its total assets, or if its income derived from investment business constitutes not less than fifty per cent. as a proportion of its gross income.".

63. Amendment of section 188.—In section 188 of the principal Act,—

(i) in sub-section (1), after the second proviso, the following proviso shall be inserted, namely :—

"Provided also that nothing contained in the second proviso shall apply to a company in which ninety per cent. or more members, in number, are relatives of promoters or are related parties :";

(ii) in sub-section (3), for the words "shall be voidable at the option of the Board", the words "shall be voidable at the option of the Board or, as the case may be, of the shareholders" shall be substituted.

64. Omission of section 194.—Section 194 of the principal Act shall be omitted.

65. Omission of section 195.—Section 195 of the principal Act shall be omitted.

66. Amendment of section 196.—In section 196 of the principal Act,—

(a) in sub-section (3), in clause (a), after the proviso, the following proviso shall be inserted, namely :—

"Provided further that where no such special resolution is passed but votes cast in favour of the motion exceed the votes, if any, cast against the motion and the Central Government is

satisfied, on an application made by the Board, that such appointment is most beneficial to the company, the appointment of the person who has attained the age of seventy years may be made.” ;

(b) in sub-section (4), for the words “specified in that Schedule”, the words “specified in Part I of that Schedule” shall be substituted.

67. Amendment of section 197.—In section 197 of the principal Act,—

(a) in sub-section (1),—

(i) in the first proviso, the words “with the approval of the Central Government,” shall be omitted ;

(ii) in the second proviso, after the words “general meeting,”, the words “by a special resolution,” shall be inserted ;

(iii) after the second proviso, the following proviso shall be inserted, namely :—

“Provided also that, where the company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the general meeting.” ;

(b) in sub-section (3), the words “and if it is not able to comply with such provisions, with the previous approval of the Central Government” shall be omitted ;

(c) for sub-section (9), the following sub-section shall be substituted, namely :—

“(9) If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without approval required under this section, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the company.” ;

(d) in sub-section (10),—

(i) for the words “permitted by the Central Government”, the words “approved by the company by special resolution within two years from the date the sum becomes refundable” shall be substituted ;

(ii) the following proviso shall be inserted, namely :—

“Provided that where the company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining approval of such waiver.” ;

(e) in sub-section (11), the words “and if such conditions are not being complied, the approval of the Central Government had been obtained” shall be omitted ;

(f) after sub-section (15), the following sub-sections shall be inserted, namely :—

“(16) The auditor of the company shall, in his report under section 143, make a statement as to whether the remuneration paid by the company to its directors is in accordance with the provisions of this section, whether remuneration paid to any director is in excess of the limit laid down under this section and give such other details as may be prescribed.

(17) On and from the commencement of the Companies (Amendment) Act, 2017, any application made to the Central Government under the provisions of this section [as it stood before such commencement], which is pending with that Government shall abate, and the company shall, within one year of such commencement, obtain the approval in accordance with the provisions of this section, as so amended.”.

68. Amendment of section 198.—In section 198 of the principal Act,—

(i) in sub-section (3),—

(a) in clause (a), after the words “sold by the company”, the words, letter, brackets and figures “unless the company is an investment company as referred to in clause (a) of the *Explanation* to section 186” shall be inserted ;

(b) after clause (e), the following clause shall be inserted, namely :—

“(f) any amount representing unrealised gains, notional gains or revaluation of assets.” ;

(ii) in sub-section (4), in clause (i), the words “which begins at or after the commencement of this Act” shall be omitted.

69. Amendment of section 200.—In section 200 of the principal Act, the words “the Central Government or” appearing at both the places shall be omitted.

70. Amendment of section 201.—In section 201 of the principal Act,—

(a) in sub-section (1), for the words “this Chapter”, the word and figures “section 196” shall be substituted ;

(b) in sub-section (2), in clause (a), for the words “any of the sections aforesaid”, the word and figures “section 196” shall be substituted.

71. Amendment of section 216.—In section 216 of the principal Act, in sub-section (1),—

(i) in clause (b), for the word “company”, the words “company ; or” shall be substituted ;

(ii) after clause (b), the following clause shall be inserted, namely :—

“(c) who have or had beneficial interest in shares of a company or who are or have been beneficial owners or significant beneficial owner of a company.”.

72. Amendment of section 223.—In section 223 of the principal Act, in sub-section (3), after the words “may be obtained”, the words “by members, creditors or any other person whose interest is likely to be affected” shall be inserted.

73. Amendment of section 236.—In section 236 of the principal Act, in sub-sections (4), (5) and (6), for the words, “transferor company”, wherever they occur, the words “company whose shares are being transferred” shall be substituted.

74. Amendment of section 247.—In section 247 of the principal Act, in sub-section (2), in clause (d), for the words “during or after the valuation of assets”, the words “during a period of three years prior to his appointment as valuer or three years after the valuation of assets was conducted by him” shall be substituted.

75. Amendment of section 366.—In section 366 of the principal Act, in sub-section (2),—

(i) for the words “seven or more members”, the words “two or more members” shall be substituted ;

(ii) in the proviso, after clause (vi), the following clause shall be inserted, namely :—

“(vii) a company with less than seven members shall register as a private company.”.

76. Amendment of section 374.—In section 374 of the principal Act, after clause (d), the following proviso shall be inserted, namely :—

“Provided that upon registration as a company under this Part a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008 (6 of 2009) shall be deemed to have been dissolved under that Act without any further act or deed.”.

77. Amendment of section 379.—Section 379 of the principal Act shall be renumbered as sub-section (2) thereof and before sub-section (2) as so renumbered, the following sub-section shall be inserted, namely :—

“(1) Sections 380 to 386 (both inclusive) and sections 392 and 393 shall apply to all foreign companies :

Provided that the Central Government may, by Order published in the *Official Gazette*, exempt any class of foreign companies, specified in the Order, from any of the provisions of sections 380 to 386 and sections 392 and 393 and a copy of every such Order shall, as soon as may be after it is made, be laid before both Houses of Parliament.”.

78. Amendment of section 384.—In section 384 of the principal Act, in sub-section (2), after the word and figures “section 92”, the words and figures “and section 135” shall be inserted.

79. Amendment of section 391.—In section 391 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely :—

“(2) Subject to the provisions of section 376, the provisions of Chapter XX shall apply *mutatis mutandis* for closure of the place of business of a foreign company in India as if it were a company incorporated in India in case such foreign company has raised monies through offer or issue of securities under this Chapter which have not been repaid or redeemed.”.

80. Amendment of section 403.—In section 403 of the principal Act,—

(i) in sub-section (1), for the first and second provisos, the following provisos shall be substituted, namely :—

“Provided that where any document, fact or information required to be submitted, filed, registered or recorded, as the case may be, under section 92 or 137 is not submitted, filed, registered or recorded, as the case may be, within the period provided in those sections, without prejudice to any other legal action or liability under this Act, it may be submitted, filed, registered or recorded, as the case may be, after expiry of the period so provided in those sections, on payment of such additional fee as may be prescribed, which shall not be less than one hundred rupees per day and different amounts may be prescribed for different classes of companies :

Provided further that where the document, fact or information, as the case may be, in cases other than referred to in the first proviso, is not submitted, filed, registered or recorded, as the case may be, within the period provided in the relevant section, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded as the case may be, on payment of such additional fee as may be prescribed and different fees may be prescribed for different classes of companies :

Provided also that where there is default on two or more occasions in submitting, filing, registering or recording of the document, fact or information, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded, as the case may be, on payment of a higher additional fee, as may be prescribed and which shall not be lesser than twice the additional fee provided under the first or the second proviso as applicable.” ;

(ii) for sub-section (2), the following sub-section shall be substituted, namely :—

“(2) Where a company fails or commits any default to submit, file, register or record any document, fact or information under sub-section (1) before the expiry of the period specified in the relevant section, the company and the officers of the company who are in default, shall, without prejudice to the liability for the payment of fee and additional fee, be liable for the penalty or punishment provided under this Act for such failure or default.”.

81. Substitution of new section for section 406.—For section 406 of the principal Act, the following section shall be substituted, namely :—

‘406. Provision relating to Nidhis and its application, etc.—(1) In this section, “*Nidhi*” or “Mutual Benefit Society” means a company which the Central Government may, by notification in the *Official Gazette*, declare to be a *Nidhi* or Mutual Benefit Society, as the case may be.

(2) The Central Government may, by notification in the *Official Gazette*, direct that any of the provisions of this Act specified in the notification—

(a) shall not apply to any *Nidhi* or Mutual Benefit Society ; or

(b) shall apply to any *Nidhi* or Mutual Benefit Society with such exceptions, modifications and adaptations as may be specified in the notification.

(3) A copy of every notification proposed to be issued under sub-section (2), shall be laid in draft before each House of Parliament, while it is in session, for a total period of thirty days, and if, both Houses agree in disapproving the issue of notification or both Houses agree in making any modification in the notification, the notification shall not be issued or, as the case may be, shall be issued only in such modified form as may be agreed upon by both the Houses.

(4) In reckoning any such period of thirty days as is referred to in sub-section (3), no account shall be taken of any period during which the House referred to in sub-section (3) is prorogued or adjourned for more than four consecutive days.

(5) The copies of every notification issued under this section shall, as soon as may be after it has been issued, be laid before each House of Parliament.’

82. Amendment of section 409.—In section 409 of the principal Act, in sub-section (3),—

(i) in clause (a), for the words “out of which at least three years shall be in the pay scale of Joint Secretary to the Government of India or equivalent or above in that service”, the words “and has been holding the rank of Secretary or Additional Secretary to the Government of India” shall be substituted ;

(ii) for clause (e), the following clause shall be substituted, namely :—

“(e) is a person of proven ability, integrity and standing having special knowledge and professional experience of not less than fifteen years in industrial finance, industrial management, industrial reconstruction, investment and accountancy.”.

83. Amendment of section 410.—In section 410 of the principal Act, for the words “orders of the Tribunal”, the words “orders of the Tribunal or of the National Financial Reporting Authority” shall be substituted.

84. Amendment of section 411.—In section 411 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely :—

“(3) A technical member shall be a person of proven ability, integrity and standing having special knowledge and professional experience of not less than twenty-five years in industrial finance, industrial management, industrial reconstruction, investment and accountancy.”.

85. Amendment of section 412.—In section 412 of the principal Act, for sub-section (2), the following sub-sections shall be substituted, namely :—

“(2) The Members of the Tribunal and the Technical Members of the Appellate Tribunal shall be appointed on the recommendation of a Selection Committee consisting of—

(a) Chief Justice of India or his nominee—Chairperson ;

(b) a senior Judge of the Supreme Court or Chief Justice of High Court— Member ;

(c) Secretary in the Ministry of Corporate Affairs—Member ; and

(d) Secretary in the Ministry of Law and Justice—Member.

(2A) Where in a meeting of the Selection Committee, there is equality of votes on any matter, the Chairperson shall have a casting vote.”.

86. Amendment of section 435.—For section 435 of the principal Act, the following shall be substituted, namely :—

“435. Establishment of Special Courts.—(1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be necessary.

(2) A Special Court shall consist of—

(a) a single judge holding office as Session Judge or Additional Session Judge, in case of offences punishable under this Act with imprisonment of two years or more ; and

(b) a Metropolitan Magistrate or a Judicial Magistrate of the First Class, in the case of other offences,

who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court within whose jurisdiction the judge to be appointed is working.”.

87. Amendment of section 438.—In section 438 of the principal Act, for the words “deemed to be a Court of Session”, the words “deemed to be a Court of Session or the court of Metropolitan Magistrate or a Judicial Magistrate of the First Class, as the case may be,” shall be substituted.

88. Amendment of section 439.—In section 439 of the principal Act, in sub-section (2), after the words “a shareholder”, the words “or a member” shall be inserted.

89. Amendment of section 440.—In section 440 of the principal Act, for the words “Court of Session”, at both the places, the words “Court of Session or the Court of Metropolitan Magistrate or a Judicial Magistrate of the First Class, as the case may be” shall be substituted.

90. Amendment of section 441.—In section 441 of the principal Act, in sub-section (1), for the words “with fine only”, the words “not being an offence punishable with imprisonment only, or punishable with imprisonment and also with fine” shall be substituted.

91. Insertion of new section 446A.—After section 446 of the principal Act, the following sections shall be inserted, namely :—

“446A. Factors for determining level of punishment.—The court or the Special Court, while deciding the amount of fine or imprisonment under this Act, shall have due regard to the following factors, namely :—

- (a) size of the company ;
- (b) nature of business carried on by the company ;
- (c) injury to public interest ;
- (d) nature of the default ; and
- (e) repetition of the default.

446B. Lesser penalties for One Person Companies or small companies.—Notwithstanding anything contained in this Act, if a One Person Company or a small company fails to comply with the provisions of sub-section (5) of section 92, sub-section (2) of section 117 or sub-section (3) of section 137, such company and officer in default of such company shall be punishable with fine or imprisonment or fine and imprisonment, as the case may be, which shall not be more than one-half of the fine or imprisonment or fine and imprisonment, as the case may be, of the minimum or maximum fine or imprisonment or fine and imprisonment, as the case may be, specified in such sections.”.

92. Amendment of section 447.—In section 447 of the principal Act,—

(i) after the words “guilty of fraud”, the words “involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower” shall be inserted ;

(ii) after the proviso, the following proviso shall be inserted, namely :—

“Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.”.

93. Amendment of section 458.—In section 458 of the principal Act, in sub-section (1), the proviso shall be omitted.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 8th January, 2018/Pausha 18, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 5th January 2018, and is hereby published for general information :—

THE REPEALING AND AMENDING ACT, 2017

(No. 2 of 2018)

[5th January, 2018.]

An Act to repeal certain enactments and to amend certain other enactments.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows :—

1. Short title.—This Act may be called the Repealing and Amending Act, 2017.
2. Repeal of certain enactments.—The enactments specified in the First Schedule are hereby repealed to the extent mentioned in the fourth column thereof.
3. Amendment of certain enactments.—The enactments specified in the Second Schedule are hereby amended to the extent and in the manner mentioned in the fourth column thereof.
4. Savings.—The repeal by this Act of any enactment shall not affect any other enactment in which the repealed enactment has been applied, incorporated or referred to ;
and this Act shall not affect the validity, invalidity, effect or consequences of anything already done or suffered, or any right, title, obligation or liability already acquired, accrued or incurred, or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing ;
nor shall this Act affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed or recognised or derived by, in or from any enactment hereby repealed ;
nor shall the repeal by this Act of any enactment revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

THE FIRST SCHEDULE

(See section 2)

REPEALS

Year (1)	No. (2)	Short title (3)	Extent of repeal (4)
1850	XXXVII	The Public Servants (Inquiries) Act, 1850	The whole.
1852	VIII	The Sheriffs' Fees Act, 1852	The whole.
1866	XXI	The Converts' Marriage Dissolution Act, 1866	The whole.
1867	I	The Ganges Tolls Act, 1867	The whole.
1892	II	The Marriages' Validation Act, 1892	The whole.
1897	I	The Public Servants (Inquiries) Amendment Act, 1897	The whole.
1897	V	The Repealing and Amending Act, 1897	The whole.
1897	XIV	The Indian Short Titles Act, 1897	The whole.
1899	XXIII	The Church of Scotland Kirk Sessions Act, 1899	The whole.
1901	XI	The Amending Act, 1901	The whole.
1903	I	The Amending Act, 1903	The whole.
1928	XII	The Hindu Inheritance (Removal of Disabilities) Act, 1928	The whole.
1929	XXI	The Transfer of Property (Amendment) Supplementary Act, 1929.	So much as is not repealed.
1934	XXVII	The Assam Criminal Law Amendment (Supplementary) Act, 1934.	The whole.
1935	XIII	The Jubbulpore and Chhattisgarh Divisions (Divorce Proceedings Validation) Act, 1935.	The whole.
1936	V	The Decrees and Orders Validating Act, 1936	The whole.
1936	XVI	The Bangalore Marriages Validating Act, 1936	The whole.
1938	XI	The Hindu Women's Right to Property (Amendment) Act, 1938	The whole.
1939	XXIX	The Indian Tariff (Fourth Amendment) Act, 1939	The whole.
1946	XXII	The Mica Mines Labour Welfare Fund Act, 1946	The whole.
1948	XL	The Indian Matrimonial Causes (War Marriages) Act, 1948	The whole.
1948	LI	The Imperial Library (Change of Name) Act, 1948	The whole.
1950	XXXIII	The Opium and Revenue Laws (Extension of Application) Act, 1950.	The whole.
1951	I	The Code of Criminal Procedure (Amendment) Act, 1951	So much as is not repealed.
1951	II	The Code of Civil Procedure (Amendment) Act, 1951	So much as is not repealed.
1953	11	The Administration of Evacuee Property (Amendment) Act, 1953	The whole.
1954	3	The Ancient and Historical Monuments and Archaeological Sites and Remains (Declaration of National Importance) Amendment Act, 1953.	The whole.
1954	42	The Administration of Evacuee Property (Amendment) Act, 1954	The whole.
1955	26	The Code of Criminal Procedure (Amendment) Act, 1955	So much as is not repealed.
1956	7	The Sales-Tax Laws Validation Act, 1956	The whole.
1956	27	The Representation of the People (Second Amendment) Act, 1956	The whole.

(1)	(2)	(3)	(4)
1956	66	The Code of Civil Procedure (Amendment) Act, 1956	So much as is not repealed.
1956	70	The Ancient and Historical Monuments and Archaeological Sites and Remains (Declaration of National Importance) Amendment Act, 1956.	The whole.
1956	91	The Administration of Evacuee Property (Amendment) Act, 1956	The whole.
1956	93	The Young Persons (Harmful Publications) Act, 1956	The whole.
1956	100	The Motor Vehicles (Amendment) Act, 1956	The whole.
1959	37	The Central Excises and Salt (Amendment) Act, 1959	So much as is not repealed.
1959	41	The Criminal Law (Amendment) Act, 1959	So much as is not repealed.
1959	48	The Miscellaneous Personal Laws (Extension) Act, 1959	The whole.
1959	59	The Mineral Oils (Additional Duties of Excise and Customs) Amendment Act, 1959.	So much as is not repealed.
1959	61	The Married Women's Property (Extension) Act, 1959	The whole.
1960	2	The Displaced Persons (Compensation and Rehabilitation) Amendment Act, 1960.	So much as is not repealed.
1960	5	The Motor Vehicles (Amendment) Act, 1960	So much as is not repealed.
1960	19	The Hindu Marriages (Validation of Proceedings) Act, 1960	The whole.
1960	38	The Central Excises (Conversion to Metric Units) Act, 1960	So much as is not repealed.
1960	40	The Customs Duties and Cesses (Conversion to Metric Units) Act, 1960.	So much as is not repealed.
1960	57	The British Statutes (Application to India) Repeal Act, 1960	The whole.
1966	47	The Representation of the People (Amendment) Act, 1966	So much as is not repealed.
1969	46	The Punjab Legislative Council (Abolition) Act, 1969	The whole.
1971	20	The Bengal Finance (Sales Tax) (Delhi Validation of Appointments and Proceedings) Act, 1971.	The whole.
1971	54	The Coal Bearing Areas (Acquisition and Development) Amendment and Validation Act, 1971.	The whole.
1972	62	The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972.	The whole.
1976	91	The Delhi Sales Tax (Amendment and Validation) Act, 1976	The whole.
1980	63	The Code of Criminal Procedure (Amendment) Act, 1980	So much as is not repealed.
1981	30	The Cine-workers Welfare Cess Act, 1981	The whole.
1983	20	The Delegated Legislation Provisions (Amendment) Act, 1983	The whole.
1984	19	The Government of Union Territories (Amendment) Act, 1984	So much as is not repealed.
1985	37	The Tea Companies (Acquisition and Transfer of Sick Tea Units) Act, 1985.	The whole.
1985	81	The Banking Laws (Amendment) Act, 1985	So much as is not repealed.

(1)	(2)	(3)	(4)
1986	6	The Additional Duties of Excise (Textiles and Textile Articles) Amendment Act, 1985	The whole.
1986	7	The Additional Duties of Excise (Goods of Special Importance) Second Amendment Act, 1985	The whole.
1986	8	The Customs Tariff (Amendment) Act, 1985	The whole.
1986	19	The Administrative Tribunals (Amendment) Act, 1986	So much as is not repealed.
1986	46	The Taxation Laws (Amendment and Miscellaneous Provisions) Act, 1986.	The whole.
1999	29	The Contingency Fund of India (Amendment) Act, 1999	The whole.
1999	31	The Securities Laws (Amendment) Act, 1999	The whole.
1999	32	The Securities Laws (Second Amendment) Act, 1999	The whole.
1999	45	The Vice-President's Pension (Amendment) Act, 1999	The whole.
2000	14	The President's Emoluments and Pension (Amendment) Act, 2000.	The whole.
2000	49	The Protection of Human Rights (Amendment) Act, 2000	The whole.
2001	12	The Colonial Prisoners Removal (Repeal) Act, 2001	The whole.
2001	19	The Industrial Disputes (Banking Companies) Decision (Repeal) Act, 2001.	The whole.
2001	22	The Judicial Administration Laws (Repeal) Act, 2001	The whole.
2001	24	The Indian Railway Companies (Repeal) Act, 2001	The whole.
2001	25	The Railway Companies (Substitution of Parties in Civil Proceedings) Repeal Act, 2001.	The whole.
2001	26	The Hyderabad Export Duties (Validation) Repeal Act, 2001	The whole.
2001	50	The Code of Criminal Procedure (Amendment) Act, 2001	The whole.
2002	21	The St. John Ambulance Association (India) Transfer of Funds (Repeal) Act, 2002.	The whole.
2002	22	The Code of Civil Procedure (Amendment) Act, 2002	The whole.
2002	23	The Vice-President's Pension (Amendment) Act, 2002	The whole.
2002	28	The National Institute of Pharmaceutical Education and Research (Amendment) Act, 2002	The whole.
2002	59	The Securities and Exchange Board of India (Amendment) Act, 2002.	The whole.
2002	68	The North-Eastern Council (Amendment) Act, 2002	The whole.
2003	25	The Customs Tariff (Amendment) Act, 2003	The whole.
2003	31	The Prevention of Insults to National Honour (Amendment) Act, 2003.	The whole.
2004	7	The Uttar Pradesh Reorganisation (Amendment) Act, 2003	The whole.
2004	28	The Special Tribunals (Supplementary Provisions) Repeal Act, 2004.	The whole.
2004	29	The Unlawful Activities (Prevention) Amendment Act, 2004	The whole.
2005	1	The Securities Laws (Amendment) Act, 2004	The whole.
2005	5	The Central Excise Tariff (Amendment) Act, 2004	The whole.
2005	31	The Hire-purchase (Repeal) Act, 2005	The whole.
2005	51	The Prevention of Insults to National Honour (Amendment) Act, 2005.	The whole.

(1)	(2)	(3)	(4)
2006	10	The Khadi and Village Industries Commission (Amendment) Act, 2006.	The whole.
2006	20	The Delhi Special Police Establishment (Amendment) Act, 2006	The whole.
2006	30	The Union Duties of Excise (Electricity) Distribution Repeal Act, 2006.	The whole.
2006	43	The Protection of Human Rights (Amendment) Act, 2006	The whole.
2006	51	The Jallianwala Bagh National Memorial (Amendment) Act, 2006	The whole.
2007	1	The Administrative Tribunals (Amendment) Act, 2007	The whole.
2007	16	The Taxation Laws (Amendment) Act, 2007	Sections 9 to 11.
2007	19	The National Institute of Pharmaceutical Education and Research (Amendment) Act, 2007.	The whole.
2007	27	The Securities Contracts (Regulation) Amendment Act, 2007	The whole.
2008	28	The President's Emoluments and Pension (Amendment) Act, 2008.	The whole.
2008	29	The Vice-President's Pension (Amendment) Act, 2008	The whole.
2008	35	The Unlawful Activities (Prevention) Amendment Act, 2008	The whole.
2009	1	The Governors (Emoluments, Allowances and Privileges) Amendment Act, 2008.	The whole.

THE SECOND SCHEUDULE

(See section 3)

AMENDMENTS

Year (1)	No. (2)	Short title (3)	Amendments (4)
2007	29	The National Institutes of Technology, Science Education and Research Act, 2007.	In clause (d) of section 3, the words “as the case may be” shall be omitted.
2009	27	The Prevention and Control of Infectious and Contagious Diseases in Animals Act, 2009.	In sub-section (7) of section 1, for the word and figures “Bill, 2009”, the word and figures “Act, 2009” shall be substituted.
2009	35	The Right of Children to Free and Compulsory Education Act, 2009.	In section 1, for the marginal heading, the marginal heading “Short title, extent, application and commencement” shall be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 8th January, 2018/Pausha 18, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 5th January 2018, and is hereby published for general information :—

THE INDIAN INSTITUTE OF PETROLEUM AND ENERGY ACT, 2017

(No. 3 OF 2018)

[5th January, 2018.]

An Act to declare the institution known as the Indian Institute of Petroleum and Energy to be an institution of national importance and to provide for its incorporation and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows :—

1. Short title and commencement.—(1) This Act may be called the Indian Institute of Petroleum and Energy Act, 2017.

(2) It shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint, and different dates may be appointed for different provisions of this Act.

2. Declaration of India Institute of Petroleum and Energy as an institution of national importance.—Whereas the objects of the institution known as the Indian Institute of Petroleum and Energy, Vishakhapatnam, Andhra Pradesh are such as to make the institution one of national importance, it is hereby declared that the institution known as the Indian Institute of Petroleum and Energy is an institution of national importance.

3. Definitions.—In this Act, unless the context otherwise requires,—

(a) “appointed day” means the date appointed under sub-section (2) of section 1 for coming into force of this Act ;

(b) “Board” means the Board of Governors of the Institute constituted under sub-section (1) of section 5 ;

(c) “Chairperson” means the Chairperson of the General Council ;

(d) “Director” means the Director of the Institute appointed under section 20 ;

(e) “fund” means the fund of the Institute to be maintained under section 24 ;

(f) “General Council” means the General Council constituted under sub-section (1) of section 15 ;

(g) “Institute” means the Indian Institute of Petroleum and Energy incorporated under section 4 ;

(h) “President” means the President of the Board appointed under clause (a) of sub-section (1) of section 5 ;

(i) “Registrar” means the Registrar of the Institute referred to in section 21 ;

(j) “Senate” means the Senate of the Institute referred to in section 17 ;

(k) “Society” means the Indian Institute of Petroleum and Energy Society, Vishakhapatnam, Andhra Pradesh registered under the Andhra Pradesh Societies Registration Act, 2001 (Andhra Pradesh Act 35 of 2001) ; and

(l) “Statutes” and “Ordinances” mean, respectively, the Statutes and the Ordinances of the Institute made under this Act.

4. Incorporation of Institute.—The Indian Institute of Petroleum and Energy, Vishakhapatnam, Andhra Pradesh, an institution registered under the Andhra Pradesh Societies Registration Act, 2001, (Andhra Pradesh Act 35 of 2001) shall be a body corporate having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property and to contract, and shall, by that name, sue and be sued.

5. Constitution of Board of Governors.—(1) With effect from such date as the Central Government may, by notification in the *Official Gazette*, appoint, there shall be constituted by the Central Government for the purposes of this Act, a Board to be known as the Board of Governors consisting of the following members, namely :—

(a) the President to be appointed by the Central Government in such manner as may be provided by the Statutes :

Provided that the first President shall be appointed by the Central Government on such terms and conditions as it deems fit, for a period not exceeding six months from the date the first Statutes comes into force ;

(b) the Director of the Institute, *ex officio* ;

(c) two persons from the Board of Directors of the promoting companies to be nominated by the Central Government.

Explanation.—For the purposes of this clause, promoting companies mean those companies contributing to the endowment fund referred to in section 25 ;

(d) one Professor of the Indian Institute of Science, Bangalore to be nominated by the Director of that Institute ;

(e) five eminent experts in the field of petroleum technology, renewable and non-renewable energy covering the entire hydrocarbon value chain having specialised knowledge or operational experience in respect of education, research, engineering and technology to be nominated by the General Council, in consultation with the Director of the Institute ;

(f) two Professors of the Institute to be nominated by the Senate of the Institute ; and

(g) one representative of the graduates of the Institute to be nominated by the Executive Committee of the Alumni Association.

(2) The Registrar of the Institute shall act as the Secretary of the Board.

(3) The Board shall ordinarily meet four times during a calendar year.

6. Term of office of, vacancies among, and allowances payable to, members of Board.—

(1) Save as otherwise provided in this section, the term of office of the President or any other member of the Board, other than *ex officio* members, shall be three years from the date of his appointment or nomination thereto.

(2) An *ex officio* member shall cease to be a member of the Board as soon as he vacates the office by virtue of which he is a member of the Board.

(3) The term of a member nominated to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he has been nominated.

(4) Notwithstanding anything contained in this section, an outgoing member shall, unless the Central Government otherwise directs, continue in office until another person is nominated as a member in his place.

(5) The members of the Board shall be entitled to such allowances, if any, from the Institute, as may be provided for in the Statutes, but no member other than the member referred to in clause (f) of section 5 shall be entitled to any salary.

7. Vesting of properties.—On and from the appointed day and subject to the other provisions of this Act, all properties which had vested in the Society immediately before that day, shall, on and from that day, vest in the Institute.

8. Effect of incorporation of Institute.—On and from the appointed day,—

(a) any reference to the Society in any contract or other instrument shall be deemed as a reference to the Institute ;

(b) all the rights and liabilities of the Society shall be transferred to, and be the rights and liabilities of, the Institute.

9. Functions of Institute.—The Institute shall perform the following functions, namely :—

- (i) nurture and promote quality and excellence in education and research in the area of petroleum and hydrocarbons and energy ;
- (ii) provide for programmes and courses of instruction and research leading to the award of the Bachelors, Masters and Doctoral degrees in engineering and technology, management, sciences and arts in the area of petroleum and hydrocarbons and energy ;
- (iii) grant, subject to such conditions as the Institute may determine, degrees, diplomas, certificates or other academic distinctions or titles at various academic levels to candidates who have attained the prescribed standard of proficiency as judged on the basis of examination or on any other basis of testing and evaluation and to withdraw any such degrees, diplomas, certificates or other academic distinctions or titles for good and sufficient reasons ;
- (iv) confer honorary degrees or other distinctions and to institute and award fellowships, scholarships, exhibitions, prizes and medals ;
- (v) lay down standards of admission to the Institute through an examination or any other method of testing and evaluation ;
- (vi) manage the content, quality, design and continuous evaluation of its academic and research programmes in a manner that earns accreditation of an international stature ;
- (vii) promote research and development for the benefit of oil, gas and petrochemical industry and the energy sector through the integration of teaching and research ;
- (viii) foster close educational and research interaction through networking with national, regional and international players in the oil, gas and petrochemical industry and the energy sector ;
- (ix) co-operate with educational and research institutions in any part of the world having objects wholly or partly similar to those of the Institute by exchange of teachers and scholars, conduct of joint research, undertaking sponsored research and consultancy projects, etc ;
- (x) organise national and international symposia, seminars and conferences in the area of petroleum and hydrocarbons and energy ;
- (xi) establish, maintain and manage halls, residences and hostels for students and to lay down conditions for residing in the halls and hostels ;
- (xii) supervise, control and regulate the discipline of all categories of employees of the Institute and to make arrangements for promoting their health and general welfare ;
- (xiii) supervise and regulate the discipline of students and to make arrangements for promoting their health, general welfare and cultural and corporate life ;
- (xiv) frame Statutes and to alter, modify or rescind the same ;
- (xv) deal with any property belonging to or vested in the Institute in such manner as the Institute may deem fit for advancing its objects ;
- (xvi) receive gifts, grants, donations or benefactions from the Central Government and the State Governments and to receive bequests, donations, grants and transfers of movable or immovable properties from testators, donors, transferors, alumni, industry or any other person ;
- (xvii) borrow money for the purposes of the Institute with or without security of the property of the Institute ;
- (xviii) integrate new technology in the classroom to encourage student-centric learning strategies and the development of an attitude for learning ;
- (xix) develop and maintain an information resource centre of print and non-print knowledge resources in the field of petroleum sector covering the entire hydrocarbon value chain as well as other related areas of energy, science and technology ;
- (xx) provide for further education to the working professionals and other employees of the Institute in the advanced areas of technology relating to oil, gas, complete hydrocarbon value chain and energy ;
- (xxi) offering customised programmes that serve the current and ongoing needs of working professionals for continuing education at the cutting-edge of petroleum and energy sector at the campus of the Institute or at company site ;

(xxii) encouraging industry to sponsor their staff to join the Institute for higher degrees and work on problems that interest the sponsoring industry thus helping develop deeper interactions and a research environment in the industry ;

(xxiii) fostering the creation of new basic knowledge and applied technology and its active transmission to companies for the benefit of the nation and for this purpose establishing an Intellectual Property Rights cell to patent the new developments made at the Institute and to license them nationally and internationally ;

(xxiv) being proactive in supporting the skill development programmes of the Government of India by training people in various related areas by way of certificate and diploma courses at the campus of the Institute or at other locations and involving industry in design and conduct of curricula ;

(xxv) giving broad focus to the functioning of the Institute in the area of petroleum and petroleum related technologies under the wide umbrella of energy ; and

(xxvi) doing all such things, not specifically covered above, as may be necessary, incidental or conducive to the attainment of all or any of the objects of the Institute.

10. Powers of Board.—(1) Subject to the provisions of this Act, the Board shall be responsible for the general superintendence, direction and control of the affairs of the Institute and shall exercise all the powers not otherwise provided for by this Act, the Statutes and the Ordinances, and shall have the power to review the acts of the Senate.

(2) Without prejudice to the provisions of sub-section (1), the Board shall—

(a) take decisions on questions of policy relating to the administration and working of the Institute ;

(b) lay down policy regarding the duration of the courses, nomenclature of the degrees and other distinctions to be conferred by the Institute ;

(c) institute courses of study and to lay down standards of proficiency and other academic distinctions in respect of the courses offered by the Institute ;

(d) lay down policy regarding the cadre structure, qualification, the method of recruitment and conditions of service of the teaching and research faculty as well as other employees of the Institute ;

(e) guide resource mobilisation of the Institute and to lay down policies for investment ;

(f) consider and approve proposals for taking loans for purposes of the Institute with or without security of the property of the Institute ;

(g) frame Statutes and to alter, modify or rescind the same ;

(h) consider and pass resolutions on the annual report, the annual accounts and the budget estimates of the Institute for the next financial year as it thinks fit together with a statement of its development plans ;

(i) create academic, administrative, technical and other posts and to make appointments thereto and to provide avenues for their growth and development ;

(j) examine and approve the development plans of the Institute and the financial implications of such plans ;

(k) examine and approve the annual operation and capital budget estimates of Institute for the next financial year and to sanction expenditure within the limits of the approved budget ;

(l) receive gifts, grants, bequests, donations or benefactions and transfer of movable or immovable properties from the Central Government and the State Governments and from testators, donors, or transferors, as the case may be, and to have custody of the funds of the Institute ;

(m) fix, demand and receive fees and other charges ;

(n) to sue and defend all legal proceedings on behalf of the Institute ; and

(o) do all such things as may be necessary, incidental or conducive to the attainment of all or any of the aforesaid powers.

(3) The Board shall have the power to appoint such committees as it considers necessary for the exercise of its powers and the performance of its duties under this Act.

(4) The Board shall have the power to establish campus and academic centres at any place within or outside India :

Provided that no campus or academic centre shall be established outside India without the prior approval of the Central Government.

(5) Notwithstanding anything contained in section 4, the Board shall not dispose of in any manner, any immovable property of the Institute without prior approval of the Central Government.

(6) The Board may, through a specific resolution to this effect, delegate any of its powers and duties to the President, Director, any officer or any authority of the Institute subject to reserving the right to review the action that may be taken under such delegated authority.

11. Institute to be open to all races, creeds and classes.—(1) The Institute shall be open to persons of either sex and of whatever race, creed, caste or class, and no test or condition shall be imposed as to religious belief or profession in admitting students, appointing teachers or employees or in any other connection whatsoever.

(2) No bequest, donation or transfer of any property shall be accepted by the Institute which in the opinion of the Board involves conditions or obligations opposed to the spirit and object of this section.

12. Teaching at the Institute.—All teaching and other academic activities at the Institute shall be conducted by or in the name of the Institute in accordance with the Statutes and the Ordinances made in this behalf.

13. Visitor.—(1) The President of India shall be the Visitor of the Institute.

(2) The Visitor may appoint one or more persons to review the work and progress of the Institute and to hold inquiries into the affairs thereof and to report thereon in such manner as the Visitor may direct.

(3) Upon receipt of any such report, the Visitor may take such action and issue such directions as he considers necessary in respect of any of the matters dealt with in the report and the Institute shall be bound to comply with such directions.

14. Authorities of Institute.—The following shall be the authorities of the Institute, namely :—

- (a) the General Council ;
- (b) the Board of Governors ;
- (c) the Senate ; and
- (d) such other authorities as may be declared by the Statutes to be the authorities of the Institute.

15. Constitution of General Council.—(1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be constituted, for the purposes of this Act, a body to be known as the General Council.

(2) The General Council shall consist of the following members, namely :—

- (a) the Secretary, Ministry of Petroleum and Natural Gas in the Central Government, *ex officio*, who shall be the Chairperson ;
- (b) the Chairman, Indian Oil Corporation Limited, *ex officio* ;
- (c) the Chairman and Managing Director, Hindustan Petroleum Corporation Limited, *ex officio* ;
- (d) the Chairman and Managing Director, Oil and Natural Gas Corporation, *ex officio* ;
- (e) the Chairman and Managing Director, Gas Authority of India Limited, *ex officio* ;
- (f) the Director General of Hydrocarbons, *ex officio* ;
- (g) the Principal Advisor (Energy), NITI Aayog, *ex officio* ;
- (h) the Executive Director, Oil Industry Safety Directorate, *ex officio* ;
- (i) the Director, Indian Institute of Science, Bangalore, *ex officio* ;
- (j) the Director, Indian Institute of Chemical Technology, Hyderabad, *ex officio* ;
- (k) the Secretary, Oil Industry Development Board, *ex officio* ;

(l) the President of the Board, *ex officio* ;

(m) the Director of the Institute , *ex officio* ; and

(n) persons, not less than two but not exceeding four, representing the private entities in the field of petroleum sector operating in the country, to be nominated by the Chairperson.

(3) The Registrar of the Institute shall be the *ex officio* Secretary of the General Council.

(4) The Chairperson shall have the power to invite any person who is not a member of the General Council to attend its meeting but such invitee shall not be entitled to vote.

16. Powers and functions of General Council.—Subject to the provisions of this Act, the General Council shall have the following powers and functions, namely :—

(a) review from time to time the broad policies and programmes of the Institute and to suggest measures for the improvement, development and expansion of the Institute thereof ;

(b) consider the annual statement of accounts including a balance-sheet together with the audit report thereto and the observations of the Board of Governors thereon and to suggest improvements in fiscal management of the Institute ;

(c) review and evaluate overall quality and effectiveness of the Institute and to advise measures for improvement of performance and for confidence-building between the Institute and its stakeholders ;

(d) provide credibility, aura, connectivity and contacts for the Institute especially with regard to student placement and resource mobilisation ;

(e) advise the Institute and its Board in respect to new cutting edge areas of technology in the domain of energy and hydrocarbon development including oil, gas, renewable and non-renewable energy, etc., that the Institute needs to pursue, as well as in respect of any other matter referred to it by the Board for advice ; and

(f) advise the Institute and its Board in respect of the advanced areas of technology in the field of petroleum sector covering the entire hydrocarbon value chain as well as in respect of any other matter that may be referred to it for advice by the Board.

17. Senate.—The Senate of the Institute shall be the principal academic body and its composition shall be such as may be provided by the Statutes.

18. Functions of Senate.—Subject to the provisions of this Act, the Statutes and the Ordinances, the Senate shall have the control and general regulation, and be responsible for the maintenance of standards of instruction, education and examination in the Institute and shall exercise such other powers and perform such other duties as may be conferred or imposed upon it by the Statutes.

19. President of Board.—(1) The President shall ordinarily preside at the meetings of the Board and at the Convocations of the Institute.

(2) It shall be the duty of the President to ensure that the decisions taken by the Board are implemented.

(3) The President shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the Statutes.

20. Director.—(1) The Director of the Institute shall be appointed by the Central Government in such manner and on such terms and conditions as may be provided by the Statutes :

Provided that the first Director shall be appointed by the Central Government on such terms and conditions as it deems fit, for a period not exceeding one year from the date the first Statutes come into force.

(2) The Director shall be the principal academic and executive officer of the Institute and shall be responsible for the proper administration and academic performance of the Institute and for imparting of instruction and maintenance of discipline therein.

(3) The Director shall submit annual reports and accounts to the Board.

(4) The Director shall exercise such other powers and perform such other duties as may be assigned to him by this Act, the Statutes or the Ordinances.

21. Registrar.—(1) The Registrar of the Institute shall be appointed in such manner and on such terms and conditions as may be provided by the Statutes and shall be the custodian of records, the common seal, the funds of the Institute and such other property of the Institute as the Board shall commit to his charge.

(2) The Registrar shall act as the Secretary of the General Council, the Board, the Senate and such committees as may be provided by the Statutes.

(3) The Registrar shall be responsible to the Director for the proper discharge of his functions.

(4) The Registrar shall exercise such other powers and perform such other duties as may be assigned to him by this Act, the Statutes or by the Director.

22. Powers and duties of other authorities and officers.—The powers and duties of authorities and officers, other than those hereinbefore mentioned, shall be determined by the Statutes.

23. Grants by Central Government.—For the purpose of enabling the Institute to discharge its functions efficiently under this Act, the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Institute such sums of money and in such manner as it may think fit.

24. Fund of Institute.—(1) The Institute shall maintain a fund to which shall be credited—

(a) all moneys provided by the Central Government ;

(b) all fees and other charges ;

(c) all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers ; and

(d) all moneys received by the Institute in any other manner or from any other source.

(2) All moneys credited to the fund shall be deposited in such banks or invested in such manner as may be decided by the Board.

(3) The fund shall be applied towards meeting the expenses of the Institute including expenses incurred in the exercise of its powers and discharge of its duties under this Act.

25. Setting-up of endowment fund.—Notwithstanding anything contained in section 24, the Institute may,—

(a) set-up an endowment fund and any other fund for a specified purpose ; and

(b) transfer money from its fund to the endowment fund or any other fund.

26. Budget of Institute.—The Institute shall prepare, in such form and at such time every year, a budget in respect of the financial year next ensuing, showing the estimated receipts and expenditure of the Institute and shall forward to the Central Government such number of copies thereof as may be provided by the Statutes.

27. Accounts and audit.—(1) The Institute shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the balance-sheet, in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Institute shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Institute to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Institute shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of the Government accounts, and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Institute.

(4) The accounts of the Institute as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

28. Annual report.—The Institute shall prepare for every year a report of its activities during that year and submit the report to the Central Government in such form and on or before such date as may be provided by the Statutes and a copy of this report shall be laid before both Houses of Parliament within one month of its receipt.

29. Pension, provident fund, etc.—(1) The Institute shall constitute for the benefit of its employees, including the Director, such pension, insurance and provident fund scheme as it deems fit, in such manner and subject to such conditions as may be provided by the Statutes.

(2) Where any such provident fund has been so constituted, the Central Government may declare that the provisions of the Provident Funds Act, 1925 (19 of 1925) shall apply to such fund as if it were a Government provident fund.

30. Authentication of orders and instruments of Institute.—All orders and decisions of the Institute shall be authenticated by the Director or any other member authorised by the Institute in this behalf and all other instruments shall be authenticated by the signature of the Director or such officers as may be authorised by the Institute.

31. Appointments.—All appointments of the staff of the Institute, except that of the Director shall be made in accordance with the procedure laid down in the Statutes,—

(a) by the Board, if the appointment is made on the academic staff in the post of Assistant Professor or above or if the appointment is made on the non-academic staff in any cadre, the maximum of the pay scale for which is the same or higher than that of Assistant Professor ; and

(b) by the Director, in any other case.

32. Statutes.—Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely :—

(a) the formation of departments of teaching and other academic units ;

(b) the institution of fellowships, scholarships, exhibitions, medals and prizes ;

(c) the classification of posts, term of office, method of appointment, powers and duties and other terms and conditions of service of the officers of the Institute including the President, the Director, the Registrar, and such other officers as may be declared as officers of the Institute by the Statutes ;

(d) the classification, the method of appointment and the determination of the terms and conditions of service of officers, teachers and other staff of the Institute ;

(e) the reservation of posts for the Scheduled Castes, the Scheduled Tribes and other categories of persons as may be determined by the Central Government ;

(f) the form in which and the time at which the budget and reports shall be prepared by the Institute ;

(g) the form of annual report ;

(h) the constitution of pension, insurance and provident funds for the benefit of the officers, teachers and other staff of the Institute ;

(i) the constitution, powers and duties of the other authorities of the Institute referred to in clause (d) of section 14 ;

(j) the delegation of powers ;

(k) the code of conduct, disciplinary actions thereto for misconduct including removal from service of employees on account of misconduct and the procedure for appeal against the actions of an officer or authority of the Institute ;

(l) the conferment of honorary degrees ;

(m) the establishment and maintenance of halls, residences and hostels ;

(n) the authentication of the orders and decisions of the Board ; and

(o) any other matter which by this Act is to be, or may be, provided by the Statutes.

33. Statutes how made.—(1) The first Statutes of the Institute shall be framed by the Central Government and a copy of the same shall be laid, as soon as may be after it is made, before each House of Parliament.

(2) The Board may, from time to time, make new or additional Statutes or may amend or repeal the Statutes in the manner hereafter in this section provided.

(3) A new Statute or addition to the Statutes or any amendment or repeal of a Statute shall require the previous approval of the General Council who may assent thereto or withhold assent or remit it to the Board for consideration.

(4) A new Statute or a Statute amending or repealing an existing Statute shall have no validity unless it has been assented to by the General Council.

34. Ordinances.—Subject to the provisions of this Act and the Statutes, the Ordinances may provide for all or any of the following matters, namely :—

- (a) the admission of the students to the Institute ;
- (b) the reservation for the Scheduled Castes, the Scheduled Tribes and other categories of persons ;
- (c) the courses of study to be laid down for all degrees, diplomas and certificates of the Institute ;
- (d) the conditions under which students shall be admitted to the degree, diploma and certificate courses and to the examinations of the Institute and the eligibility conditions for awarding the same ;
- (e) the conditions of award of the fellowships, scholarships, exhibitions, medals and prizes ;
- (f) the conditions and manner of appointment and duties of examining bodies, examiners and moderators ;
- (g) the conduct of examinations ;
- (h) the maintenance of discipline among the students of the Institute ;
- (i) the fees to be charged for courses of study at the Institute and for admission to the examinations ;
- (j) the conditions of residence of students of the Institute and the levying of the fees for residence in the halls and hostels and of other charges ; and
- (k) any other matter which by this Act or the Statutes is to be, or may be, provided for by the Ordinances.

35. Ordinances how made.—(1) The First Ordinance of the Institute shall be framed by the Central Government.

(2) Save as otherwise provided in this section, Ordinances shall be made by the Senate.

(3) All Ordinances made by the Senate shall have effect from such date as it may direct, but every Ordinance so made shall be submitted, as soon as may be, to the Board and shall be considered by the Board at its next succeeding meeting.

(4) The Board shall have power by resolution to modify or cancel any such Ordinance and such Ordinance shall from the date of such resolution stand modified accordingly or cancelled, as the case may be.

36. Conduct of business by authorities of Institute.—The authorities of the Institute may have their own rules of procedure, consistent with the provisions of this Act, the Statutes and the Ordinances for the conduct of their own business and that of the committees, if any, appointed by them and not provided for by this Act, the Statutes or the Ordinances.

37. Tribunal of Arbitration.—(1) Any dispute arising out of a contract between the Institute and any of its employees shall, at the request of the employee concerned or at the instance of the Institute, be referred to a Tribunal of Arbitration consisting of one member appointed by the Institute, one member nominated by the employee, and an umpire appointed by the Visitor.

(2) The decision of the Tribunal of Arbitration shall be final.

(3) No suit or proceeding shall lie in any court in respect of any matter which is required by sub-section (1) to be referred to the Tribunal of Arbitration.

(4) The Tribunal of Arbitration shall have power to regulate its own procedure.

(5) Nothing in any law for the time being in force relating to arbitration shall apply to arbitrations under this section.

38. Acts and proceedings not to be invalidated by vacancies.—No act of the Institute or the General Council or Board or Senate or any other body set-up under this Act or the Statutes, shall be invalid merely by reasons of—

(a) any vacancy in, or defect in the constitution thereof, or

(b) any defect in the election, nomination or appointment of a person acting as a member thereof, or

(c) any irregularity in its procedure not affecting the merits of the case.

39. Grant of degrees, etc., by Institute.—Notwithstanding anything in the University Grants Commission Act, 1956 (3 of 1956) or in any other law for the time being in force, the Institute shall have power to grant degrees and other academic distinctions and titles under this Act.

40. Sponsored schemes.—Notwithstanding anything in this Act, whenever the Institute receives funds from any Government, the University Grants Commission or any other agency including industry sponsoring a research scheme, a consultancy assignment, a teaching programme or a chaired professorship or a scholarship, to be executed or endowed at the Institute,—

(a) the amount received shall be kept by the Institute separately from the fund of the Institute and utilised only for the purpose of the scheme ; and

(b) the staff required to execute the same shall be recruited in accordance with the terms and conditions stipulated by the sponsoring organisation :

Provided that any money remaining unutilised under clause (a) shall be transferred to the endowment fund created under section 25.

41. Control by Central Government.—The Institute shall carry out such directions as may be issued to it from time to time by the Central Government for the efficient administration of this Act.

42. Resolution of differences.—If in, or in connection with, the exercise of its powers and discharge of its functions by the Institute under this Act, any dispute or difference arises between the Institute and the Central Government, the decision of the Central Government thereon shall be final.

43. Power to remove difficulties.—(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions or give such directions not inconsistent with the provisions of this Act, as appears to it to be necessary or expedient for removing the difficulty :

Provided that no such order shall be made after the expiry of two years from the appointed day.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

44. Transitional provisions.—Notwithstanding anything contained in this Act,—

(a) the Board of Governors of the Society functioning as such immediately before the commencement of this Act shall continue to so function until a new Board is constituted for the Institute under this Act, but on the constitution of a new Board under this Act, the members of the Board holding office before such constitution shall cease to hold office ; and

(b) until the first Statutes and the Ordinances are made under this Act, the Statutes and the Ordinances of the Indian Institute of Petroleum and Energy Society, as in force, immediately before the commencement of this Act, shall continue to apply to the Institute insofar as they are not inconsistent with the provisions of this Act.

45. Statutes, Ordinances and notifications to be published in the Official Gazette and to be laid before Parliament.—(1) Every Statute and every Ordinance made or notification issued under this Act shall be published in the *Official Gazette*.

(2) Every Statute and every Ordinance made or notification issued under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the Statute, Ordinance or notification or both Houses agree that the Statute, Ordinance or notification should not be made or issued, the Statute, Ordinance or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be ; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that Statute, Ordinance or notification.

(3) The power to make the Statutes, Ordinances or notifications shall include the power to give retrospective effect from a date not earlier than the date of commencement of this Act, to the Statutes, Ordinances, notifications or any of them but no retrospective effect shall be given to any Statute, Ordinance or notification so as to prejudicially affect the interests of any person to whom such Statute, Ordinance or notification may be applicable.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 8th January, 2018/Pausha 18, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 5th January 2018, and is hereby published for general information :—

THE REPEALING AND AMENDING (SECOND) ACT, 2017

(No. 4 of 2018)

[5th January, 2018.]

An Act to repeal certain enactments and to amend certain other enactments.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows:—

1. Short title.—This Act may be called the Repealing and Amending (Second) Act, 2017.

2. Repeal of certain enactments.—The enactments specified in the First Schedule are hereby repealed.

3. Amendment of certain enactments.—The enactments specified in the Second Schedule are hereby amended to the extent and in the manner mentioned in the fourth column thereof.

4. Savings.—The repeal by this Act of any enactment shall not affect any other enactment in which the repealed enactment has been applied, incorporated or referred to ;

and this Act shall not affect the validity, invalidity, effect or consequences of anything already done or suffered, or any right, title, obligation or liability already acquired, accrued or incurred, or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing ;

nor shall this Act affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed or recognised or derived by, in or from any enactment hereby repealed ;

nor shall the repeal by this Act of any enactment revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

THE FIRST SCHEDULE

(See section 2)

REPEAL

Year (1)	Act No. (2)	Short title (3)
Central Acts		
1850	XXI	The Caste Disabilities Removal Act, 1850.
1857	VII	The Madras Uncovenanted Officers Act, 1857.
1857	XXI	The Howrah Offences Act, 1857.
1859	XII	The Calcutta Pilots Act, 1859.
1862	III	The Government Seal Act, 1862.
1873	XVI	The North-Western Provinces Village and Road Police Act, 1873.
1875	XX	The Central Provinces Laws Act, 1875.
1876	XIX	The Dramatic Performances Act, 1876.
1879	XIV	The Hackney-carriage Act, 1879.
1879	XIX	The Raipur and Khattra Laws Act, 1879.
1881	XIII	The Fort William Act, 1881.
1882	XXI	The Madras Forest (Validation) Act, 1882.
1883	X	The Bikrama Singh's Estates Act, 1883.
1886	XXI	The Oudh Wasikas Act, 1886.
1888	III	The Police Act, 1888.
1888	VIII	The Indian Tolls Act, 1888.
1893	II	The Porahat Estate Act, 1893.
1895	XV	The Government Grants Act, 1895.
1897	VIII	The Reformatory Schools Act, 1897.
1911	X	The Prevention of Seditious Meetings Act, 1911.
1912	VII	The Bengal, Bihar and Orissa and Assam Laws Act, 1912.
1917	XXV	The Sir Currimbhoy Ebrahim Baronetcy (Amendment) Act, 1917.
1921	XVII	The Cattle-trespass (Amendment) Act, 1921.
1931	XX	The Sheriff of Calcutta (Powers of Custody) Act, 1931.
1932	XI	The Public Suits Validation Act, 1932.
1932	XXIV	The Bengal Suppression of Terrorist Outrages (Supplementary) Act, 1932.
1938	XX	The Criminal Law Amendment Act, 1938.
1941	IV	The Berar Laws Act, 1941.
1942	XVIII	The Weekly Holidays Act, 1942.
1943	XXIII	The War Injuries (Compensation Insurance) Act, 1943.
1947	XVI	The Trading with the Enemy (Continuance of Emergency Provisions) Act, 1947.
1948	26	The Junagadh Administration (Property) Act, 1948.
1949	51	The Requisitioned Land (Apportionment of Compensation) Act, 1949.
1949	61	The Professions Tax Limitation (Amendment and Validation) Act, 1949.
1950	IV	The Preventive Detention Act, 1950.
1950	L	The Preventive Detention (Amendment) Act, 1950.
1950	67	The Cooch-Bihar (Assimilation of Laws) Act, 1950.

(1)	(2)	(3)
1951	3	The Part B States (Laws) Act, 1951.
1951	IV	The Preventive Detention (Amendment) Act, 1951.
1951	51	The Railway Companies (Emergency Provisions) Act, 1951.
1951	66	The Part C States (Miscellaneous Laws) Repealing Act, 1951.
1951	70	The Displaced Persons (Debts Adjustment) Act, 1951.
1952	1	The Part B States Marriages Validating Act, 1952.
1952	XXXIV	The Preventive Detention (Amendment) Act, 1952.
1952	LXI	The Preventive Detention (Second Amendment) Act, 1952.
1954	4	The Abducted Persons (Recovery and Restoration) Amendment Act, 1954.
1954	7	The Government of Part C States (Amendment) Act, 1954.
1954	15	The Transfer of Evacuee Deposits Act, 1954.
1954	20	The Absorbed Areas (Laws) Act, 1954.
1954	36	The Chandernagore (Merger) Act, 1954.
1954	51	The Preventive Detention (Amendment) Act, 1954.
1955	19	The Commanders-in-Chief (Change in Designation) Act, 1955.
1955	30	The Abducted Persons (Recovery and Restoration) Continuance Act, 1955.
1956	4	The Bar Councils (Validation of State Laws) Act, 1956.
1956	50	The Indian Cotton Cess (Amendment) Act, 1956.
1956	65	The Abducted Persons (Recovery and Restoration) Continuance Act, 1956.
1956	88	The Representation of the People (Miscellaneous Provisions) Act, 1956.
1956	97	The Delhi Tenants (Temporary Protection) Act, 1956.
1957	32	The Forward Contracts (Regulation) Amendment Act, 1957.
1957	37	The Legislative Councils Act, 1957.
1957	54	The Preventive Detention (Continuance) Act, 1957.
1959	24	The Pharmacy (Amendment) Act, 1959.
1960	31	The Tripura Municipal Law (Repeal) Act, 1960.
1960	47	The Bilaspur Commercial Corporation (Repeal) Act, 1960.
1960	48	The Mahendra Pratab Singh Estates (Repeal) Act, 1960.
1960	53	The Tripura Excise Law (Repeal) Act, 1960.
1962	62	The Emergency Risks (Goods) Insurance Act, 1962.
1962	63	The Emergency Risks (Factories) Insurance Act, 1962.
1963	29	The Institutes of Technology (Amendment) Act, 1963.
1963	56	The Delhi Development (Amendment) Act, 1963.
1964	23	The Delhi (Delegation of Powers) Act, 1964.
1965	50	The Goa, Daman and Diu (Absorbed Employees) Act, 1965.
1967	16	The Anti-Corruption Laws (Amendment) Act, 1967.
1969	41	The International Monetary Fund and Bank (Amendment) Act, 1969.
1971	65	The Asian Refractories Limited (Acquisition of Undertaking) Act, 1971.
1971	68	The Uttar Pradesh Cantonments (Control of Rent and Eviction) (Repeal) Act, 1971.
1972	36	The Coking Coal Mines (Nationalisation) Act, 1972.
1973	26	The Coal Mines (Nationalisation) Act, 1973.
1975	19	The All-India Services Regulations (Indemnity) Act, 1975.

(1)	(2)	(3)
1976	22	The Assam Sillimanite Limited (Acquisition and Transfer of Refractory Plant) Act, 1976.
1976	28	The Parliamentary Proceedings (Protection of Publication) Repeal Act, 1976.
1976	76	The National Library of India Act, 1976.
1976	89	The Indian Iron and Steel Company (Acquisition of Shares) Act, 1976.
1976	96	The Braithwaite and Company (India) Limited (Acquisition and Transfer of Undertakings) Act, 1976.
1977	16	The Disputed Elections (Prime Minister and Speaker) Act, 1977.
1977	41	The Smith, Stainstreet and Company Limited (Acquisition and Transfer of Undertakings) Act, 1977.
1977	42	The Gresham and Craven of India (Private) Limited (Acquisition and Transfer of Undertakings) Act, 1977.
1978	13	The Hindustan Tractors Limited (Acquisition and Transfer of Undertakings) Act, 1978.
1978	42	The Bolani Ores Limited (Acquisition of Shares) and Miscellaneous Provisions Act, 1978.
1979	12	The Punjab Excise (Delhi Amendment) Act, 1979.
1980	58	The Bengal Chemical and Pharmaceutical Works Limited (Acquisition and Transfer of Undertakings) Act, 1980.
1983	35	The Dangerous Machines (Regulation) Act, 1983.
1984	39	The Punjab Municipal (New Delhi Amendment) Act, 1984.
1984	43	The Aluminium Corporation of India Limited (Acquisition and Transfer of Aluminium Undertaking) Act, 1984.
1984	57	The Bengal Immunity Company Limited (Acquisition and Transfer of Undertakings) Act, 1984.
1985	80	The Customs (Amendment) Act, 1985.
1987	36	The Brentford Electric (India) Limited (Acquisition and Transfer of Undertakings) Act, 1987.
1993	24	The National Thermal Power Corporation Limited, the National Hydroelectric Power Corporation Limited and the North-Eastern Electric Power Corporation Limited (Acquisition and Transfer of Power Transmission Systems) Act, 1993.
1994	56	The Neyveli Lignite Corporation Limited (Acquisition and Transfer of Power Transmission System) Act, 1994.
1999	6	The Delhi Development Authority (Validation of Disciplinary Powers) Act, 1998.
1999	8	The Customs (Amendment) Act, 1998.
1999	49	The Copyright (Amendment) Act, 1999.
2000	20	The Direct-tax Laws (Miscellaneous) Repeal Act, 2000.
2000	48	The Forfeiture (Repeal) Act, 2000.
2001	33	The Influx from Pakistan (Control) Repealing (Repeal) Act, 2001.
2001	36	The Indian Universities (Repeal) Act, 2001.
2001	37	The Auroville (Emergency Provisions) Repeal Act, 2001.
2001	41	The Central Sales Tax (Amendment) Act, 2001.
2001	47	The Two-Member Constituencies (Abolition) and other Laws Repeal Act, 2001.
2002	57	The Mysore State Legislature (Delegation of Powers) Repeal Act, 2002.

(1)	(2)	(3)
2002	65	The Countess of Dufferin's Fund (Repeal) Act, 2002.
2002	66	The Prevention of Food Adulteration (Extension to Kohima and Mokokchung Districts) Repeal Act, 2002.
2002	70	The Refugee Relief Taxes (Abolition) Repeal Act, 2002.
2003	2	The Cable Television Networks (Regulation) Amendment Act, 2002.
2005	38	The Displaced Persons Claims and other Laws Repeal Act, 2005.
2005	44	The Immigration (Carriers' Liability) Amendment Act, 2005.
2006	3	The Central Sales Tax (Amendment) Act, 2005.
2006	18	The National Commission for Minority Educational Institutions (Amendment) Act, 2006.
2006	24	The Cess Laws (Repealing and Amending) Act, 2006.
2006	29	The Taxation Laws (Amendment) Act, 2006.
2006	32	The Spirituous Preparations (Inter-State Trade and Commerce) Control (Repeal) Act, 2006.
2006	46	The Produce Cess Laws (Abolition) Act, 2006.
2006	49	The Indian Rifles (Repeal) Act, 2006.
2007	24	The Mizoram University (Amendment) Act, 2007.
2007	39	The Competition (Amendment) Act, 2007.
2008	25	The Central Universities Laws (Amendment) Act, 2008.
2009	39	The Competition (Amendment) Act, 2009.
2010	20	The National Commission for Minority Educational Institutions (Amendment) Act, 2010.
2010	33	The Jharkhand Panchayat Raj (Amendment) Act, 2010.
2012	27	The Copyright (Amendment) Act, 2012.
2012	31	The Central Educational Institutions (Reservation in Admission) Amendment Act, 2012.

Ordinances made by the Governor-General

1941	VII	The War Injuries Ordinance, 1941.
1942	XX	The Collective Fines Ordinance, 1942.
1942	XLI	The Armed Forces (Special Powers) Ordinance, 1942.
1944	XXI	The Public Health (Emergency Provisions) Ordinance, 1944.
1945	XXIV	The War Gratuities (Income-tax Exemption) Ordinance, 1945.
1945	XXX	The Secunderabad Marriage Validating Ordinance, 1945.
1946	II	The Bank Notes (Declaration of Holdings) Ordinance, 1946.
1946	VI	The Criminal Law Amendment Ordinance, 1946.
1946	X	The Termination of War (Definition) Ordinance, 1946.

THE SECOND SCHEDULE

(See section 3)

AMENDMENTS

Year (1)	Act No. (2)	Short title (3)	Amendments (4)
1951	69	The Plantations Labour Act, 1951	In section 43, sub-section (4) shall be omitted.
2016	2	The Juvenile Justice (Care and Protection of Children) Act, 2015.	In section 69, in sub-section (2), for the words, brackets and letters "mentioned at (d) to (f)", the words, brackets, letters and figure "mentioned at clauses (d) to (f) of sub-section (1)" shall be substituted.
2016	49	The Rights of Persons with Disabilities Act, 2016.	In section 76, after the word, brackets and letter, "clause (b)", the words, brackets and figure "of sub-section (1)" shall be inserted.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 8th January, 2018/Pausha 18, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 5th January, 2018, and is hereby published for general information :—

THE INDIAN FOREST (AMENDMENT) ACT, 2017

(No. 5 of 2018)

[5th January, 2018.]

An Act further to amend the Indian Forest Act, 1927.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows :—

1. Short title and commencement.—(1) This Act may be called the Indian Forest (Amendment) Act, 2017.

(2) It shall be deemed to have come into force on the 23rd day of November, 2017.

2. Amendment of section 2 of Act 16 of 1927.—In the Indian Forest Act, 1927, in section 2, in clause (7), the word “bamboos” shall be omitted.

3. Repeal and savings.—(1) The Indian Forest (Amendment) Ordinance, 2017 (Ord. 6 of 2017) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Indian Forest Act, 1927 (16 of 1927), as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the said Act, as amended by this Act.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE
(LEGISLATIVE DEPARTMENT)

New Delhi, the 19th January, 2018/Pausha 29, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 18th January, 2018, and is hereby published for general information :—

THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT
(AMENDMENT) ACT, 2017

(No. 7 of 2018)

[18th January, 2018.]

An Act further to amend the National Bank for Agriculture and
Rural Development Act, 1981.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows :—

1. Short title and commencement.—(1) This Act may be called the National Bank for Agriculture and Rural Development (Amendment) Act, 2018.

(2) It shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint, and different dates may be appointed for different provisions of this Act.

2. Amendment of long title.—In the National Bank for Agriculture and Rural Development Act, 1981 (61 of 1981) (hereinafter referred to as the principal Act), in the long title, for the words “small-scale industries, cottage and village industries”, the words “micro-enterprises, small enterprises and medium enterprises, cottage and village industries, handlooms” shall be substituted.

3. Amendment of section 2.—In section 2 of the principal Act,—

(a) clause (i) shall be omitted ;

(b) after clause (k), the following clause shall be inserted, namely:—

‘(ka) “micro enterprise”, “small enterprise” and “medium enterprise”, shall have the same meanings as are respectively assigned to them in the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) ;’ ;

(c) in clause (q), in the *Explanation*, in clause (a), for the words “industry in the tiny and decentralised sector and small-scale industry and handicrafts”, the words “micro-enterprises, small enterprises and medium enterprises, handicrafts, handlooms” shall be substituted;

(d) clause (t) shall be omitted.

4. Amendment of section 3.—In section 3 of the principal Act, in sub-section (3), for the word “Bombay”, the word “Mumbai” shall be substituted.

5. Amendment of section 4.—In section 4 of the principal Act,—

(a) in sub-section (1), for the proviso, the following provisos shall be substituted, namely :—

“Provided that the Central Government may, by notification, increase the said capital up to thirty thousand crore rupees :

Provided further that the Central Government may, in consultation with the Reserve Bank and by notification, further increase the said capital to such amount as it may deem necessary from time to time.” ;

(b) for sub-section (2), the following sub-sections shall be substituted, namely :—

“(2) The capital of the National Bank which has been subscribed to by the Reserve Bank valued at twenty crore rupees as on the date immediately preceding the commencement of the National Bank for Agriculture and Rural Development (Amendment) Act, 2017 shall, on such commencement, stand transferred to, and vested in, the Central Government :

Provided that the National Bank may issue capital to such institutions and persons in such manner as may be notified by the Central Government :

Provided further that the shareholding of the Central Government shall not at any time be less than fifty-one per cent. of the total subscribed capital.

(3) The Central Government shall give to the Reserve Bank an amount equal to the face value of the subscribed capital, valued at twenty crores of rupees, referred to in sub-section (2), in cash, for transfer to, and vesting in the Central Government of the capital of the National Bank which has been so subscribed to by the said Bank.”.

6. Amendment of section 6.—In section 6 of the principal Act, in sub-section (1), in clause (b), for the words “small-scale industries”, the words “micro-enterprises, small enterprises and medium enterprises” shall be substituted.

7. Amendment of section 14.—In section 14 of the principal Act, in sub-section (1), for the words “small-scale industries”, the words “micro-enterprises, small enterprises and medium enterprises” shall be substituted.

8. Amendment of section 21.—In section 21 of the principal Act, in sub-section (1), in clause (v), for the words “small-scale industries, industries in the tiny and decentralised sector, village and cottage industries or of those engaged in the field of handicrafts,”, the words “village and cottage industries, micro-enterprises, small enterprises and medium enterprises or of those engaged in the field of handicrafts, handlooms” shall be substituted.

9. Amendment of section 23.—In section 23 of the principal Act, for the words “small-scale industries, industries in the tiny and decentralised sector, village and cottage industries and those engaged in the field of handicrafts and other rural crafts,”, the words “village and cottage industries, micro enterprises, small enterprises and medium enterprises and those engaged in the field of handicrafts, handlooms and other rural crafts” shall be substituted.

10. Amendment of section 25.—In section 25 of the principal Act, in sub-section (1), in clause (c), for the words “small-scale industries, industries in the tiny and decentralised sector, village and cottage industries and those engaged in the field of handicrafts”, the words “village and cottage industries, micro-enterprises, small enterprises and medium enterprises and those engaged in the field of handicrafts, handlooms” shall be substituted.

11. Amendment of section 37A.—In section 37A of the principal Act, in sub-section (1),—

(a) in the proviso, in clauses (a) and (b), for the words and figures “in section 617 of the Companies Act, 1956 (1 of 1956)”, the words, brackets and figures “in clause (45) of section 2 of the Companies Act, 2013 (18 of 2013)” shall be substituted;

(b) in the *Explanation*, for the words, brackets and figures “in clause (41) of section 2 of the Companies Act, 1956 (1 of 1956)”, the words, brackets and figures “in clause (77) of section 2 of the Companies Act, 2013 (18 of 2013)” shall be substituted.

12. Amendment of section 48.—In section 48 of the principal Act, in sub-section (1), for the words and figures “section 226 of the Companies Act, 1956 (1 of 1956)”, the words and figures “section 141 of the Companies Act, 2013 (18 of 2013)” shall be substituted.

13. Amendment of section 52A.—In section 52A of the principal Act, in sub-section (1), for the words and figures “the Companies Act, 1956 (1 of 1956)”, the words and figures “the Companies Act, 2013 (18 of 2013)” shall be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 19th January, 2018/Pausha 29, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 18th January, 2018, and is hereby published for general information:—

THE INSOLVENCY AND BANKRUPTCY CODE (AMENDMENT) ACT, 2017

(No. 8 of 2018)

[18th January, 2018.]

An Act to amend the Insolvency and Bankruptcy Code, 2016.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows:—

1. Short title and commencement.—(1) This Act may be called the Insolvency and Bankruptcy Code (Amendment) Act, 2018.

(2) It shall be deemed to have come into force on the 23rd day of November, 2017.

2. Amendment of section 2.—In the Insolvency and Bankruptcy Code, 2016 (31 of 2016) (hereinafter referred to as the principal Act), in section 2,—

(i) in clause (d), the word “and” shall be omitted ;

(ii) for clause (e), the following clauses shall be substituted, namely :—

“(e) personal guarantors to corporate debtors;

(f) partnership firms and proprietorship firms; and

(g) individuals, other than persons referred to in clause (e),”.

3. Amendment of section 5.—In section 5 of the principal Act,—

(a) for clause (25), the following clause shall be substituted, namely :—

“(25) “resolution applicant” means a person, who individually or jointly with any other person, submits a resolution plan to the resolution professional pursuant to the invitation made under clause (h) of sub-section (2) of section 25 ;” ;

(b) in clause (26), for the words “any person”, the words “resolution applicant” shall be substituted.

4. Amendment of section 25.—In section 25 of the principal Act, in sub-section (2), for clause (h), the following clause shall be substituted, namely :—

“(h) invite prospective resolution applicants, who fulfil such criteria as may be laid down by him with the approval of committee of creditors, having regard to the complexity and scale of operations of the business of the corporate debtor and such other conditions as may be specified by the Board, to submit a resolution plan or plans ;”.

5. Insertion of new section 29A.—After section 29 of the principal Act, the following section shall be inserted, namely :—

“29A. Persons not eligible to be resolution applicant.—A person shall not be eligible to submit a resolution plan, if such person, or any other person acting jointly or in concert with such person—

(a) is an undischarged insolvent;

(b) is a wilful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949) ;

(c) has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949) and at least a period of one year has lapsed from the date of such classification till the date of commencement of the corporate insolvency resolution process of the corporate debtor :

Provided that the person shall be eligible to submit a resolution plan if such person makes payment of all overdue amounts with interest thereon and charges relating to non-performing asset accounts before submission of resolution plan ;

(d) has been convicted for any offence punishable with imprisonment for two years or more ;

(e) is disqualified to act as a director under the Companies Act, 2013 (18 of 2013) ;

(f) is prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets ;

(g) has been a promoter or in the management or control of a corporate debtor in which a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place and in respect of which an order has been made by the Adjudicating Authority under this Code ;

(h) has executed an enforceable guarantee in favour of a creditor in respect of a corporate debtor against which an application for insolvency resolution made by such creditor has been admitted under this Code ;

(i) has been subject to any disability, corresponding to clauses (a) to (h), under any law in a jurisdiction outside India ; or

(j) has a connected person not eligible under clauses (a) to (i).

Explanation.— For the purposes of this clause, the expression “connected person” means—

(i) any person who is the promoter or in the management or control of the resolution applicant; or

(ii) any person who shall be the promoter or in management or control of the business of the corporate debtor during the implementation of the resolution plan; or

(iii) the holding company, subsidiary company, associate company or related party of a person referred to in clauses (i) and (ii) :

Provided that nothing in clause (iii) of this *Explanation* shall apply to—

(A) a scheduled bank ; or

(B) an asset reconstruction company registered with the Reserve Bank of India under section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002) ; or

(C) an Alternate Investment Fund registered with the Securities and Exchange Board of India.”.

6. Amendment of section 30.—In section 30 of the principal Act, for sub-section (4), the following sub-section shall be substituted, namely :—

“(4) The committee of creditors may approve a resolution plan by a vote of not less than seventy-five per cent. of voting share of the financial creditors, after considering its feasibility and viability, and such other requirements as may be specified by the Board :

Provided that the committee of creditors shall not approve a resolution plan, submitted before the commencement of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 (Ord. 7 of 2017), where the resolution applicant is ineligible under section 29A and may require the resolution professional to invite a fresh resolution plan where no other resolution plan is available with it :

Provided further that where the resolution applicant referred to in the first proviso is ineligible under clause (c) of section 29A, the resolution applicant shall be allowed by the committee of creditors such period, not exceeding thirty days, to make payment of overdue amounts in accordance with the proviso to clause (c) of section 29A :

Provided also that nothing in the second proviso shall be construed as extension of period for the purposes of the proviso to sub-section (3) of section 12, and the corporate insolvency resolution process shall be completed within the period specified in that sub-section.”.

7. Amendment of section 35.—In section 35 of the principal Act, in sub-section (1), in clause (f), the following proviso shall be inserted, namely :—

“Provided that the liquidator shall not sell the immovable and movable property or actionable claims of the corporate debtor in liquidation to any person who is not eligible to be a resolution applicant.”.

8. Insertion of new section 235A.—After section 235 of the principal Act, the following section shall be inserted, namely :—

“235A. Punishment where no specific penalty or punishment is provided.—If any person contravenes any of the provisions of this Code or the rules or regulations made thereunder for which no penalty or punishment is provided in this Code, such person shall be punishable with fine which shall not be less than one lakh rupees but which may extend to two crore rupees.”.

9. Amendment of section 240.—In section 240 of the principal Act, in sub-section (2),—

(i) after clause (s), the following clause shall be inserted, namely :—

“(sa) other conditions under clause (h) of sub-section (2) of section 25 ;” ;

(ii) after clause (w), the following clause shall be inserted, namely :—

“(wa) other requirements under sub-section (4) of section 30 ;”.

10. Repeal and savings.—(1) The Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 (Ord. 7 of 2017) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the said Code, as amended by this Act.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 19th January, 2018/Pausha 29, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 19th January, 2018, and is hereby published for general information :—

THE GOODS AND SERVICES TAX (COMPENSATION TO STATES)
AMENDMENT ACT, 2017

(No. 9 of 2018)

[19th January, 2018.]

An Act to amend the Goods and Services Tax (Compensation to States) Act, 2017.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows:—

1. Short title and commencement.—(1) This Act may be called the Goods and Services Tax (Compensation to States) Amendment Act, 2017.

(2) It shall be deemed to have come into force on the 2nd day of September, 2017.

2. Amendment to Schedule.—In the Goods and Services Tax (Compensation to States) Act, 2017 (15 of 2017), in the Schedule,—

(i) after serial number 4 and the entries relating thereto, the following serial number and entries shall be inserted, namely :—

(1)	(2)	(3)	(4)
"4A	Motor vehicles for the transport of not more than thirteen persons, including the driver.	8702 10, 8702 20, 8702 30 or 8702 90	Twenty-five per cent. <i>ad valorem</i> .”;

(ii) against serial number 5, for the entry in column (4), the entry “Twenty-five per cent. *ad valorem*” shall be substituted.

3. Repeal and savings.—(1) The Goods and Services Tax (Compensation to States) Amendment Ordinance, 2017 (Ord. 5 of 2017) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Goods and Services Tax (Compensation to States) Act, 2017 (15 of 2017), as amended by the said Ordinance, shall be deemed to have been done or taken under the said Act as amended by this Act.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 27th January, 2018/Magha 7, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 25th January, 2018, and is hereby published for general information :—

THE HIGH COURT AND SUPREME COURT JUDGES (SALARIES
AND CONDITIONS OF SERVICE) AMENDMENT ACT, 2018

(No. 10 of 2018)

[25th January, 2018.]

An Act further to amend the High Court Judges (Salaries and Conditions of Service) Act, 1954 and the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(1) This Act may be called the High Court and Supreme Court Judges (Salaries and Conditions of Service) Amendment Act, 2018.

(2) Sections 2, 5, 6 and 9 shall be deemed to have come into force on the 1st day of January, 2016. Sections 3 and 7 shall be deemed to have come into force on the 1st day of July, 2017. Sections 4 and 8 shall be deemed to have come into force on the 22nd day of September, 2017.

CHAPTER II

AMENDMENTS OF THE HIGH COURT JUDGES (SALARIES AND CONDITIONS OF SERVICE) ACT, 1954

2. Amendment of section 13A.—In the High Court Judges (Salaries and Conditions of Service) Act, 1954 (28 of 1954) (hereinafter referred to as the High Court Judges Act), in section 13A,—

(a) in sub-section (1), for the words “ninety thousand rupees per mensem”, the words “two lakh fifty thousand rupees per mensem” shall be substituted ;

(b) in sub-section (2), for the words “eighty thousand rupees per mensem”, the words “two lakh twenty-five thousand rupees per mensem” shall be substituted.

3. Amendment of section 22A.—In section 22A of the High Court Judges Act, for sub-section (2), the following sub-section shall be substituted, namely :—

“(2) Where a Judge does not avail himself of the use of an official residence, he may be paid every month an allowance equivalent to an amount of twenty-four per centum of the salary which shall be increased at the rate of—

(a) twenty-seven per centum, when Dearness Allowance crosses twenty-five per centum; and

(b) thirty per centum, when Dearness Allowance crosses fifty per centum.

4. Amendment of section 22C.—In the High Court Judges Act, in section 22C, for the words “fifteen thousand” and “twelve thousand”, the words “thirty-four thousand” and “twenty-seven thousand” shall respectively be substituted.

5. Amendment of First Schedule.—In the First Schedule to the High Court Judges Act,—

(a) in Part I, in paragraph 2,—

(A) in clause (a), for the letters and figures “Rs. 43,890”, the letters and figures “Rs. 1,21,575” shall be substituted ;

(B) in clause (b), for the letters and figures “Rs. 34,350”, the letters and figures “Rs. 96,524” shall be substituted ;

(C) in the proviso, for the letters and figures “Rs. 5,40,000” and “Rs. 4,80,000”, the letters and figures “Rs. 15,00,000” and “Rs. 13,50,000” shall respectively be substituted ;

(b) In Part III, in paragraph 2,—

(A) in clause (b), for the letters and figures “Rs. 16,020”, the letters and figures “Rs. 45,016” shall be substituted;

(B) in the proviso, for the letters and figures “Rs. 5,40,000” and “Rs. 4,80,000”, the letters and figures “Rs. 15,00,000” and “Rs. 13,50,000” shall respectively be substituted.

CHAPTER III

AMENDMENTS OF THE SUPREME COURT JUDGES (SALARIES AND CONDITIONS OF SERVICE) ACT, 1958

6. Amendment of section 12A.—In the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958 (41 of 1958) (hereinafter referred to as the Supreme Court Judges Act), in section 12A,—

(a) in sub-section (1), for the words “one lakh rupees per mensem”, the words “two lakh eighty thousand rupees per mensem” shall be substituted ;

(b) in sub-section (2), for the words “ninety thousand rupees per mensem”, the words “two lakh fifty thousand rupees per mensem” shall be substituted.

7. Amendment of section 23.—In section 23 of the Supreme Court Judges Act, for sub-section (1A), the following sub-section shall be substituted, namely :—

“(1A) Where a Judge does not avail himself of the use of an official residence, he may be paid every month an allowance equivalent to an amount of twenty-four per centum of the salary which shall be increased at the rate of—

(a) twenty-seven per centum, when Dearness Allowance crosses twenty-five per centum; and

(b) thirty per centum, when Dearness Allowance crosses fifty per centum.”.

8. Amendment of section 23B.—In section 23B of the Supreme Court Judges Act, for the words “twenty thousand” and “fifteen thousand”, the words “forty-five thousand” and “thirty-four thousand” shall respectively be substituted.

9. Amendment of the Schedule.—In the Schedule to the Supreme Court Judges Act,—

(a) in Part I,—

(i) in paragraph 2—

(A) in clause (b), for the letters and figures “Rs. 12,180”, “Rs. 3,69,300”, and “Rs. 31,030”, the letters and figures “Rs. 34,104”, “Rs. 10,34,040”, and “Rs. 86,884” shall respectively be substituted;

(B) in the proviso, for the letters and figures “Rs. 6,00,000”, the letters and figures “Rs. 16,80,000” shall be substituted;

(ii) in paragraph 3, in the proviso, for the letters and figures “Rs. 5,40,000”, the letters and figures “Rs. 15,00,000” shall be substituted;

(b) in Part III, in paragraph 2,—

(A) in clause (b), for the letters and figures “Rs. 16,020”, the letters and figures “Rs. 45,016” shall be substituted;

(B) in the proviso, for the letters and figures “Rs. 6,00,000” and “Rs. 5,40,000”, the letters and figures “Rs. 16,80,000” and “Rs. 15,00,000” shall respectively be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 29th March, 2018/Chaitra 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 28th March, 2018, and is hereby published for general information:—

THE PAYMENT OF GRATUITY (AMENDMENT) ACT, 2018

(No. 12 of 2018)

[28th March, 2018.]

An Act further to amend the Payment of Gratuity Act, 1972.

BE it enacted by Parliament in the Sixty-ninth Year of the Republic of India as follows :—

1. Short title and commencement.—(1) This Act may be called the Payment of Gratuity (Amendment) Act, 2018.
- (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.
2. Amendment of section 2.—In the Payment of Gratuity Act, 1972 (39 of 1972) (hereinafter referred to as the principal Act), in section 2, for clause (k), the following clause shall be substituted, namely :—
'(k) "notification" means a notification published in the *Official Gazette* and the expression "notified" shall be construed accordingly ;'.
3. Amendment of section 2A.—In section 2A of the principal Act, in sub-section (2), in the *Explanation*, in clause (iv), for the words "twelve weeks", the words "such period as may be notified by the Central Government from time to time" shall be substituted.
4. Amendment of section 4.—In section 4 of the principal Act, in sub-section (3), for the words "ten lakh rupees", the words "such amount as may be notified by the Central Government from time to time" shall be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

MINISTRY OF LAW AND JUSTICE

(LEGISLATIVE DEPARTMENT)

New Delhi, the 29th March, 2018/Chaitra 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th March, 2018, and is hereby published for general information :—

THE FINANCE ACT, 2018

(No. 13 of 2018)

[28th March, 2018.]

An Act to give effect to the financial proposals of the Central Government for the financial year 2018-2019.

BE it enacted by Parliament in the Sixty-ninth Year of the Republic of India as follows :—

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(1) This Act may be called the Finance Act, 2018.

(2) Save as otherwise provided in this Act, sections 2 to 55 shall come into force on the 1st day of April, 2018.

CHAPTER II

RATES OF INCOME-TAX

2. Income-tax.—(1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 2018, income-tax shall be charged at the rates specified in Part I of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in each case in the manner provided therein.

(2) In the cases to which Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding five thousand rupees, in addition to total income, and the total income exceeds two lakh fifty thousand rupees, then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income ; and

(b) the income-tax chargeable shall be calculated as follows :—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income ;

(ii) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income as so increased were the total income ;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income :

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (1) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words “two lakh fifty thousand rupees”, the words “three lakh rupees” had been substituted :

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "five lakh rupees" had been substituted.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be :

Provided that the amount of income-tax computed in accordance with the provisions of section 111A or section 112 of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part I of the First Schedule :

Provided further that in respect of any income chargeable to tax under section 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBD, 115BBDA, 115BBF, 115BBG, 115E, 115JB or 115JC of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(i) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax ; and

(ii) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax ;

(b) in the case of every co-operative society or firm or local authority, at the rate of twelve per cent. of such income-tax, where the total income exceeds one crore rupees ;

(c) in the case of every domestic company,—

(i) at the rate of seven per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees ;

(ii) at the rate of twelve per cent. of such income-tax, where the total income exceeds ten crore rupees ;

(d) in the case of every company, other than a domestic company,—

(i) at the rate of two per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees ;

(ii) at the rate of five per cent. of such income-tax, where the total income exceeds ten crore rupees :

Provided also that in the case of persons mentioned in (a) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(i) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees ;

(ii) one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees :

Provided also that in the case of persons mentioned in (b) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as income-tax on such income and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of one

crore rupees by more than the amount of income that exceeds one crore rupees :

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees :

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees :

Provided also that in respect of any income chargeable to tax under clause (i) of sub-section (1) of section 115BBE of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such income-tax.

(4) In cases in which tax has to be charged and paid under section 115-O or section 115QA or sub-section (2) of section 115R or section 115TA or section 115TD of the Income-tax Act, the tax shall be charged and paid at the rates as specified in those sections and shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twelve per cent. of such tax.

(5) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, at the rates in force, the deductions shall be made at the rates specified in Part II of the First Schedule and shall be increased by a surcharge, for the purposes of the Union, calculated in cases wherever prescribed, in the manner provided therein.

(6) In cases in which tax has to be deducted under sections 192A, 194C, 194DA, 194E, 194EE, 194F, 194G, 194H, 194-I, 194-IA, 194-IB, 194-IC, 194J, 194LA, 194LB, 194LBA, 194LBB, 194LBC, 194LC, 194LD, 196B, 196C and 196D of the Income-tax Act, the deductions shall be made at the rates specified in those sections and shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

(i) at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees ;

(ii) at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees ;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees ;

(c) in the case of every company, other than a domestic company, calculated,—

(i) at the rate of two per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees ;

(ii) at the rate of five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

(7) In cases in which tax has to be collected under the proviso to section 194B of the Income-tax Act, the collection shall be made at the rates specified in Part II of the First Schedule, and shall be increased by a surcharge, for the purposes of the Union, calculated, in cases wherever prescribed, in the manner provided therein.

(8) In cases in which tax has to be collected under section 206C of the Income-tax Act, the collection shall be made at the rates specified in that section and shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

(i) at the rate of ten per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds fifty lakh rupees but does not exceed one crore rupees ;

(ii) at the rate of fifteen per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees ;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees ;

(c) in the case of every company, other than a domestic company, calculated,—

(i) at the rate of two per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees but does not exceed ten crore rupees ;

(ii) at the rate of five per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds ten crore rupees.

(9) Subject to the provisions of sub-section (10), in cases in which income-tax has to be charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the Income-tax Act or deducted from, or paid on, income chargeable under the head “Salaries” under section 192 of the said Act or in which the “advance tax” payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, “advance tax” shall be charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in such cases and in such manner as provided therein :

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, “advance tax” shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be :

Provided further that the amount of “advance tax” computed in accordance with the provisions of section 111A or section 112 or section 112A of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part III of the First Schedule :

Provided also that in respect of any income chargeable to tax under section 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBD, 115BBDA, 115BBF, 115BBG, 115E, 115JB or 115JC of the Income-tax Act, “advance tax” computed under the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(i) at the rate of ten per cent. of such “advance tax”, where the total income exceeds fifty lakh rupees but does not exceed one crore rupees ;

(ii) at the rate of fifteen per cent. of such “advance tax”, where the total income exceeds one crore rupees ;

(b) in the case of every co-operative society or firm or local authority at the rate of twelve per cent. of such “advance tax”, where the total income exceeds one crore rupees ;

(c) in the case of every domestic company,—

(i) at the rate of seven per cent. of such “advance tax”, where the total income exceeds one crore rupees but does not exceed ten crore rupees ;

(ii) at the rate of twelve per cent. of such “advance tax”, where the total income exceeds ten crore rupees ;

(d) in the case of every company, other than a domestic company,—

(i) at the rate of two per cent. of such “advance tax”, where the total income exceeds one crore rupees but does not exceed ten crore rupees ;

(ii) at the rate of five per cent. of such “advance tax”, where the total income exceeds ten crore rupees :

Provided also that in the case of persons mentioned in (a) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(a) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees ;

(b) one crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees :

Provided also that in the case of persons mentioned in (b) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees :

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon, shall not exceed the total amount payable as “advance tax” on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees :

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon, shall not exceed the total amount payable as “advance tax” and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees :

Provided also that in respect of any income chargeable to tax under clause (i) of sub-section (1) of section 115BBE of the Income-tax Act, the “advance tax” computed under the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such “advance tax”.

(10) In cases to which Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year,

in such other period, any net agricultural income exceeding five thousand rupees, in addition to total income and the total income exceeds two lakh fifty thousand rupees, then, in charging income-tax under sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or in computing the “advance tax” payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

- (a) the net agricultural income shall be taken into account, in the manner provided in clause
- (b) [that is to say, as if the net agricultural income were comprised in the total income after the first

two lakh fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income ; and

(b) such income-tax or, as the case may be, "advance tax" shall be so charged or computed as follows :—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income ;

(ii) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income were the total income ;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income :

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (II) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "three lakh rupees" had been substituted :

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "five lakh rupees" had been substituted :

Provided also that the amount of income-tax or "advance tax" so arrived at, shall be increased by a surcharge for the purposes of the Union, calculated in each case, in the manner provided therein.

(11) The amount of income-tax as specified in sub-sections (1) to (3) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the "Education Cess on income-tax", calculated at the rate of two per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance universalised quality basic education.

(12) The amount of income-tax as specified in sub-sections (1) to (3) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall also be increased by an additional surcharge, for the purposes of the Union, to be called the "Secondary and Higher Education Cess on income-tax", calculated at the rate of one per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance secondary and higher education.

(13) The amount of income-tax as specified in sub-sections (4) to (10) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the "Health and Education Cess on income-tax", calculated at the rate of four per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance quality health services and universalised quality basic education and secondary and higher education :

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in sub-sections (5), (6), (7) and (8), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India.

(14) For the purposes of this section and the First Schedule,—

(a) “domestic company” means an Indian company or any other company which, in respect of its income liable to income-tax under the Income-tax Act, for the assessment year commencing on the 1st day of April, 2018, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income ;

(b) “insurance commission” means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance) ;

(c) “net agricultural income” in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule ;

(d) all other words and expressions used in this section and the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

3. Amendment of section 2.—In section 2 of the Income-tax Act,—

(a) in clause (22), after *Explanation 2*, the following *Explanation* shall be inserted, namely :—

“Explanation 2A.—In the case of an amalgamated company, the accumulated profits, whether capitalised or not, or loss, as the case may be, shall be increased by the accumulated profits, whether capitalised or not, of the amalgamating company on the date of amalgamation.” ;

(b) with effect from the 1st day of April, 2019,—

(i) in clause (24),—

(A) after sub-clause (xii), the following sub-clause shall be inserted, namely :—

“(xiiia) the fair market value of inventory referred to in clause (via) of section 28 ;” ;

(B) after sub-clause (xviiia), the following sub-clause shall be inserted, namely :—

“(xviiib) any compensation or other payment referred to in clause (xi) of sub-section (2) of section 56 ;” ;

(ii) in clause (42A),—

(A) in *Explanation 1*, in clause (i), after sub-clause (b), the following sub-clause shall be inserted namely :—

“(ba) in the case of a capital asset referred to in clause (via) of section 28, the period shall be reckoned from the date of its conversion or treatment ;” ;

(B) in *Explanation 4*, for the words, brackets and figures “the *Explanation* to clause (38) of section 10”, the words, brackets, letters and

figures “clause (a) of the *Explanation* to section 112A” shall be substituted.

4. Amendment of section 9.—In section 9 of the Income-tax Act, in sub-section (1), in clause (i), with effect from the 1st day of April, 2019,—

(I) in *Explanation 2*, for clause (a), the following clause shall be substituted, namely :—

“(a) has and habitually exercises in India, an authority to conclude contracts on behalf of the non-resident or habitually concludes contracts or habitually plays the principal role leading to conclusion of contracts by that non-resident and the contracts are—

(i) in the name of the non-resident ; or

(ii) for the transfer of the ownership of, or for the granting of the right to use, property owned by that non-resident or that non-resident has the right to use ; or

(iii) for the provision of services by the non-resident ; or” ;

(II) after *Explanation 2*, the following *Explanation* shall be inserted, namely :—

‘*Explanation 2A*.—For the removal of doubts, it is hereby clarified that the significant economic presence of a non-resident in India shall constitute “business connection” in India and “significant economic presence” for this purpose, shall mean—

(a) transaction in respect of any goods, services or property carried out by a non-resident in India including provision of download of data or software in India, if the aggregate of payments arising from such transaction or transactions during the previous year exceeds such amount as may be prescribed ; or

(b) systematic and continuous soliciting of business activities or engaging in interaction with such number of users as may be prescribed, in India through digital means :

Provided that the transactions or activities shall constitute significant economic presence in India, whether or not,—

(i) the agreement for such transactions or activities is entered in India ;

(ii) the non-resident has a residence or place of business in India ; or

(iii) the non-resident renders services in India :

Provided further that only so much of income as is attributable to the transactions or activities referred to in clause (a) or clause (b) shall be deemed to accrue or arise in India.’

5. Amendment of section 10.—In section 10 of the Income-tax Act,—

(a) after clause (6C), the following clause shall be inserted, namely :—

“(6D) any income arising to a non-resident, not being a company, or a foreign company, by way of royalty from, or fees for technical services rendered in or outside India to, the National Technical Research Organisation ;” ;

(b) with effect from the 1st day of April, 2019,—

(i) in clause (12A), for the word “employee”, the word “assessee” shall be substituted ;

(ii) in clause (23C), after the twelfth proviso [as inserted by section 6 of the Finance Act, 2017 (7 of 2017)], the following proviso shall be inserted, namely :—

‘Provided also that for the purposes of determining the amount of application under item (a) of the third proviso, the provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A, shall, *mutatis mutandis*, apply as they apply in computing the income chargeable under the head “Profits and gains of business or profession” :’ ;

(iii) in clause (38), after the third proviso, the following proviso shall be inserted, namely :—

“Provided also that nothing contained in this clause shall apply to any income arising from the transfer of long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, made on or after the 1st day of April, 2018.” ;

(c) in clause (46), after the brackets and words “(by whatever name called)” at both the places where they occur, the words “, or a class thereof” shall be inserted ;

(d) in clause (48B) [as inserted by section 6 of the Finance Act, 2017 (7 of 2017)], after the word, brackets, figures and letter “clause (48A)”, the words “or on termination of the said agreement or the arrangement, in accordance with the terms mentioned therein, as the case may be,” shall be inserted with effect from the 1st day of April, 2019.

6. Amendment of section 11.—In section 11 of the Income-tax Act, in sub-section (1), after *Explanation 2* [as inserted by section 11 of the Finance Act, 2017 (7 of 2017)], the following *Explanation* shall be inserted with effect from the 1st day of April, 2019, namely :—

‘*Explanation 3.*—For the purposes of determining the amount of application under clause (a) or clause (b), the provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A, shall, *mutatis mutandis*, apply as they apply in computing the income chargeable under the head “Profits and gains of business or profession”.’.

7. Amendment of section 16.—In section 16 of the Income-tax Act, after clause (i) [as omitted by section 6 of the Finance Act, 2005 (18 of 2005)], the following clause shall be inserted with effect from the 1st day of April, 2019 (18 of 2005), namely :—

“(ia) a deduction of forty thousand rupees or the amount of the salary, whichever is less ;”.

8. Amendment of section 17.—In section 17 of the Income-tax Act, in clause (2), in the proviso occurring after sub-clause (viii), clause (v) shall be omitted with effect from the 1st day of April, 2019.

9. Amendment of section 28.—In section 28 of the Income-tax Act, with effect from the 1st day of April, 2019,—

(i) in clause (ii), after sub-clause (d), the following sub-clause shall be inserted, namely :—

“(e) any person, by whatever name called, at or in connection with the termination or the modification of the terms and conditions, of any contract relating to his business ;” ;

(ii) after clause (vi), the following clause shall be inserted, namely :—

“(via) the fair market value of inventory as on the date on which it is converted into, or treated as, a capital asset determined in the prescribed manner ;”.

10. Amendment of section 36.—In section 36 of the Income-tax Act, in sub-section (1), after clause (xvii), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely :—

“(xviii) marked to market loss or other expected loss as computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145.”.

11. Amendment of section 40A.—In section 40A of the Income-tax Act, after sub-section (12) [as omitted by section 17 of the Finance Act, 1992 (18 of 1992)], the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely :—

“(13) No deduction or allowance shall be allowed in respect of any marked to market loss or other expected loss, except as allowable under clause (xviii) of sub-section (1) of section 36.”.

12. Amendment of section 43.—In section 43 of Income-tax Act, with effect from the 1st day of April, 2019,—

(i) in clause (1), after *Explanation 1*, the following *Explanation* shall be inserted, namely :—

“*Explanation 1A.*—Where a capital asset referred to in clause (via) of section 28 is used for the purposes of business or profession, the actual cost of such asset to the assessee shall be the fair market value which has been taken into account for the purposes of the said clause.” ;

(ii) in clause (5), after the proviso and before *Explanation 1*, the following proviso shall be inserted, namely :—

“Provided further that for the purposes of clause (e) of the first proviso, in respect of trading in agricultural commodity derivatives, the requirement of chargeability of commodity transaction tax under Chapter VII of the Finance Act, 2013 (17 of 2013) shall not apply.”.

13. Insertion of new section 43AA.—After section 43A of the Income-tax Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely :—

“**43AA.** Taxation of foreign exchange fluctuation.—(1) Subject to the provisions of section 43A, any gain or loss arising on account of any change in foreign exchange rates shall be treated as income or loss, as the case may be, and such gain or loss shall be computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145.

(2) For the purposes of sub-section (1), gain or loss arising on account of the effects of change in foreign exchange rates shall be in respect of all foreign currency transactions, including those relating to—

- (i) monetary items and non-monetary items ;
- (ii) translation of financial statements of foreign operations ;
- (iii) forward exchange contracts ;
- (iv) foreign currency translation reserves.”.

14. Amendment of section 43CA.—In section 43CA of the Income-tax Act, with effect from the 1st day of April, 2019,—

(a) in sub-section (1), the following proviso shall be inserted, namely :—

“Provided that where the value adopted or assessed or assessable by the authority for the purpose of payment of stamp duty does not exceed one hundred and five per cent. of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration.” ;

(b) in sub-section (4), for the words “by any mode other than cash”, the words “by way of an account payee cheque or an account payee bank draft or by use of electronic clearing system through a bank account” shall be substituted.

15. Insertion of new section 43CB.—After section 43CA of the Income-tax Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely :—

“43CB. Computation of income from construction and service contracts.—(1) The profits and gains arising from a construction contract or a contract for providing services shall be determined on the basis of percentage of completion method in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145 :

Provided that profits and gains arising from a contract for providing services,—

(i) with duration of not more than ninety days shall be determined on the basis of project completion method ;

(ii) involving indeterminate number of acts over a specific period of time shall be determined on the basis of straight line method.

(2) For the purposes of percentage of completion method, project completion method or straight line method referred to in sub-section (1)—

(i) the contract revenue shall include retention money ;

(ii) the contract costs shall not be reduced by any incidental income in the nature of interest, dividends or capital gains.”.

16. Amendment of section 44AE.—In section 44AE of the Income-tax Act, with effect from the 1st day of April, 2019,—

(a) for sub-section (2), the following sub-section shall be substituted, namely :—

“(2) For the purposes of sub-section (1), the profits and gains from each goods carriage,—

(i) being a heavy goods vehicle, shall be an amount equal to one thousand rupees per ton of gross vehicle weight or unladen weight, as the case may be, for every month or part of a month during which the heavy goods vehicle is owned by the assessee in the previous year or an amount claimed to have been actually earned from such vehicle, whichever is higher ;

(ii) other than heavy goods vehicle, shall be an amount equal to seven thousand five hundred rupees for every month or part of a month during which the goods carriage is owned by the assessee in the previous year or an amount claimed to have been actually earned from such goods carriage, whichever is higher.” ;

(b) in the *Explanation*, for clause (a), the following clauses shall be substituted, namely :—

‘(a) the expressions “goods carriage”, “gross vehicle weight” and “unladen weight” shall have the respective meanings assigned to them in section 2 of the Motor Vehicles Act, 1988 (59 of 1988) ;

(aa) the expression “heavy goods vehicle” means any goods carriage, the gross vehicle weight of which exceeds 12000 kilograms ;’.

17. Amendment of section 47.—In section 47 of the Income-tax Act, after clause (viiia) [as inserted by section 23 of the Finance Act, 2017 (7 of 2017)], the following clause shall be inserted with effect from the 1st day of April, 2019, namely :—

‘(viiib) any transfer of a capital asset, being—

(a) bond or Global Depository Receipt referred to in sub-section (1) of section 115AC ; or

(b) rupee denominated bond of an Indian company ; or

(c) derivative,

made by a non-resident on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency.

Explanation.— For the purposes of this clause,—

(a) “International Financial Services Centre” shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005) ;

(b) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43 ;

(c) “derivative” shall have the meaning assigned to it in clause (ac) of section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956).’.

18. Amendment of section 48.—In section 48 of the Income-tax Act, after the second proviso, the following proviso shall be inserted, namely :—

“Provided also that nothing contained in the first and second provisos shall apply to the capital gains arising from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust referred to in section 112A :”.

19. Amendment of section 49.—In section 49 of the Income-tax Act, after sub-section (8), the following sub-section shall be inserted with effect from the 1st day of April, 2019, namely :—

“(9) Where the capital gain arises from the transfer of a capital asset referred to in clause (via) of section 28, the cost of acquisition of such asset shall be deemed to be the fair market value which has been taken into account for the purposes of the said clause.”.

20. Amendment of section 50C.—In section 50C of the Income-tax Act, in sub-section (1), after the second proviso, the following proviso shall be inserted with effect from the 1st day of April, 2019, namely :—

“Provided also that where the value adopted or assessed or assessable by the stamp valuation authority does not exceed one hundred and five per cent. of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of section 48, be deemed to be the full value of the consideration.”.

21. Amendment of section 54EC.—In section 54EC of the Income-tax Act, with effect from the 1st day of April, 2019,—

(a) in sub-section (1), after the words “long-term capital asset”, the words, “ being land or building or both,” shall be inserted ;

(b) in sub-section (2), before the *Explanation*, the following proviso shall be inserted, namely :—

‘Provided that in case of long-term specified asset referred to in sub-clause (ii) of clause (ba) of the *Explanation* occurring after sub-section (3), this sub-section shall have effect as if for the words “three years”, the words “five years” had been substituted.’ ;

(c) in the *Explanation* occurring after sub-section (3), for clause (ba), the following clause shall be substituted, namely :—

‘(ba) “long-term specified asset” for making any investment under this section,—

(i) on or after the 1st day of April, 2007 but before the 1st day of April, 2018, means any bond, redeemable after three years and issued on or after the 1st day of April, 2007 but before the 1st day of April, 2018 ;

(ii) on or after the 1st day of April, 2018, means any bond, redeemable after five years and issued on or after the 1st day of April, 2018,

by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988 (68 of 1988) or by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956 (1 of 1956) or any other bond notified in the *Official Gazette* by the Central Government in this behalf.’.

22. Amendment of section 55.—In section 55 of the Income-tax Act, in sub-section (2), after clause (ab), the following clause shall be inserted, namely :—

‘(ac) subject to the provisions of sub-clauses (i) and (ii) of clause (b), in relation to a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust referred to in section 112A, acquired before the 1st day of February, 2018, shall be higher of—

(i) the cost of acquisition of such asset ; and

(ii) lower of—

(A) the fair market value of such asset ; and

(B) the full value of consideration received or accruing as a result of the transfer of the capital asset.

Explanation.—For the purposes of this clause,—

(a) “fair market value” means,—

(i) in a case where the capital asset is listed on any recognised stock exchange as on the 31st day of January, 2018, the highest price of the capital asset quoted on such exchange on the said date :

Provided that where there is no trading in such asset on such exchange on the 31st day of January, 2018, the highest price of such asset on such exchange on a date immediately preceding the 31st day of January, 2018 when such asset was traded on such exchange shall be the fair market value ;

(ii) in a case where the capital asset is a unit which is not listed on a recognised stock exchange as on the 31st day of January, 2018, the net asset value of such unit as on the said date ;

(iii) in a case where the capital asset is an equity share in a company which is—

(A) not listed on a recognised stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer ;

(B) listed on a recognised stock exchange on the date of transfer and which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31st day of January, 2018 by way of transaction not regarded as transfer under section 47,

an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the financial year 2017-2018 bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the year beginning on the first day of April, 2001, whichever is later ;

(b) “Cost Inflation Index” shall have the meaning assigned to it in clause (v) of the *Explanation* to section 48 ;

(c) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43.’.

23. Amendment of section 56.—In section 56 of the Income-tax Act, in sub-section (2),—

(A) in clause (x),—

(i) in sub-clause (b), for item (B), the following item shall be substituted

with effect from the 1st day of April, 2019, namely :—

“(B) for a consideration, the stamp duty value of such property as exceeds such consideration, if the amount of such excess is more than the higher of the following amounts, namely :—

(i) the amount of fifty thousand rupees ; and

(ii) the amount equal to five per cent. of the consideration :” ;

(II) in the fourth proviso, in clause (IX), after the words, brackets and figure “clause (i) or”, the words, brackets and figures “clause (iv) or clause (v) or” shall be inserted ;

(B) after clause (x), the following clause shall be inserted with effect from the 1st day of April, 2019, namely :—

“(x) any compensation or other payment, due to or received by any person, by whatever name called, in connection with the termination of his employment or the modification of the terms and conditions relating thereto.”.

24. Amendment of section 79.—In section 79 of the Income-tax Act [as substituted by section 32 of the Finance Act, 2017 (7 of 2017)], after the second proviso, the following proviso shall be inserted, namely :—

“Provided also that nothing contained in this section shall apply to a company where a change in the shareholding takes place in a previous year pursuant to a resolution plan approved under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), after affording a reasonable opportunity of being heard to the jurisdictional Principal Commissioner or Commissioner.”.

25. Substitution of new section for section 80AC.—For section 80AC of the Income-tax Act, the following section shall be substituted, namely :—

‘80AC. Deduction not to be allowed unless return furnished.—Where in computing the total income of an assessee of any previous year relevant to the assessment year commencing on or after—

(i) the 1st day of April, 2006 but before the 1st day of April, 2018, any deduction is admissible under section 80-IA or section 80-IAB or section 80-IB or section 80-IC or section 80-ID or section 80-IE ;

(ii) the 1st day of April, 2018, any deduction is admissible under any provision of this Chapter under the heading “C.—Deductions in respect of certain incomes”,

no such deduction shall be allowed to him unless he furnishes a return of his income for such assessment year on or before the due date specified under sub-section (1) of section 139.’.

26. Amendment of section 80D.—In section 80D of the Income-tax Act, with effect from the 1st day of April, 2019,—

(A) in sub-section (2),—

(i) for the words “thirty thousand rupees” wherever they occur, the words “fifty thousand rupees” shall be substituted ;

(ii) in the first proviso occurring after clause (d), the word “very” shall be omitted ;

(B) in sub-section (3),—

(i) for the words “thirty thousand rupees” at both the places where they occur, the words “fifty thousand rupees” shall be substituted ;

(ii) the word “very” shall be omitted ;

(C) in sub-section (4),—

(i) the words “or a very senior citizen” shall be omitted ;

(ii) for the words “thirty thousand rupees”, the words “fifty thousand rupees” shall be substituted ;

(D) after sub-section (4), the following sub-section shall be inserted, namely :—

‘(4A) Where the amount specified in clause (a) or clause (b) of sub-section (2) or clause (a) of sub-section (3) is paid in lump sum in the previous year to effect or to keep in force an insurance on the health of any person specified therein for more than a year, then, subject to the provisions of this section, there shall be allowed for each of the relevant previous year, a deduction equal to the appropriate fraction of the amount.

Explanation.—For the purposes of this sub-section,—

(i) “appropriate fraction” means the fraction, the numerator of which is one and the denominator of which is the total number of relevant previous years ;

(ii) “relevant previous year” means the previous year beginning with the previous year in which such amount is paid and the subsequent previous year or years during which the insurance shall have effect or be in force.’ ;

(E) in the *Explanation* occurring after sub-section (5), clause (ii) shall be omitted.

27. Amendment of section 80DDB.—In section 80DDB of the Income-tax Act, with effect from the 1st day of April, 2019,—

(a) in the third proviso, for the words “sixty thousand rupees”, the words “one hundred thousand rupees” shall be substituted ;

(b) the fourth proviso shall be omitted ;

(c) in the *Explanation*, clause (v) shall be omitted.

28. Amendment of section 80-IAC.—In section 80-IAC of the Income-tax Act, in the *Explanation* below sub-section (4),—

(a) for clause (i), the following clause shall be substituted, namely :—

‘(i) “eligible business” means a business carried out by an eligible start up engaged in innovation, development or improvement of products or processes or services or a scalable business model with a high potential of employment generation or wealth creation ;’ ;

(b) in clause (ii),—

(i) in sub-clause (a), for the figures “2019”, the figures “2021” shall be substituted ;

(ii) in sub-clause (b), for the words, figures and letters “in any of the previous years beginning on or after the 1st day of April, 2016 and ending on the 31st day of March, 2021”, the words, brackets and figure “in the previous year relevant to the assessment year for which deduction under sub-section (1) is claimed” shall be substituted.

29. Amendment of section 80JJAA.—In section 80JJAA of the Income-tax Act, in the *Explanation* occurring after sub-section (2), in clause (ii), with effect from the 1st day of April, 2019,—

(a) in the proviso, after the words “manufacturing of apparel”, the words “or footwear or leather products” shall be inserted ;

(b) after the proviso, the following proviso shall be inserted, namely :—

“Provided further that where an employee is employed during the previous year for a period of less than two hundred and forty days or one hundred and fifty days, as the case may be, but is employed for a period of two hundred and forty days or one hundred and fifty days, as the case may be, in the immediately succeeding year, he shall be deemed to have been employed in the succeeding year and the provisions of this section shall apply accordingly ;”.

30. Insertion of new section 80PA.—After section 80P of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely :—

‘80PA. Deduction in respect of certain income of Producer Companies.—(1) Where the gross total income of an assessee, being a Producer Company having a total turnover of less than one hundred crore rupees in any previous year, includes any profits and gains derived from eligible business, there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction of an amount equal to one hundred

per cent. of the profits and gains attributable to such business for the previous year relevant to an assessment year commencing on or after the 1st day of April, 2019, but before the 1st day of April, 2025.

(2) In a case where the assessee is entitled also to deduction under any other provision of this Chapter, the deduction under this section shall be allowed with reference to the income, if any, as referred to in this section included in the gross total income as reduced by the deductions under such other provision of this Chapter.

Explanation.—For the purposes of this section,—

(i) “eligible business” means—

(a) the marketing of agricultural produce grown by the members ; or

(b) the purchase of agricultural implements, seeds, livestock or other articles intended for agriculture for the purpose of supplying them to the members ; or

(c) the processing of the agricultural produce of the members ;

(ii) “member” shall have the meaning assigned to it in clause (d) of section 581A of the Companies Act, 1956 (1 of 1956) ;

(iii) “Producer Company” shall have the meaning assigned to it in clause (l) of section 581A of the Companies Act, 1956 (1 of 1956).’

31. Amendment of section 80TTA.—In section 80TTA of the Income-tax Act, in sub-section (1), in the opening portion, after the word “assessee”, the brackets, words, figures and letters “(other than the assessee referred to in section 80TTB)” shall be inserted with effect from the 1st day of April, 2019.

32. Insertion of new section 80TTB.—After section 80TTA of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely :—

‘80TTB. Deduction in respect of interest on deposits in case of senior citizens.—(1) Where the gross total income of an assessee, being a senior citizen, includes any income by way of interest on deposits with—

(a) a banking company to which the Banking Regulation Act, 1949 (10 of 1949), applies (including any bank or banking institution referred to in section 51 of that Act) ;

(b) a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank) ; or

(c) a Post Office as defined in clause (k) of section 2 of the Indian Post Office Act, 1898 (6 of 1898),

there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction—

(i) in a case where the amount of such income does not exceed in the aggregate fifty thousand rupees, the whole of such amount ; and

(ii) in any other case, fifty thousand rupees.

(2) Where the income referred to in sub-section (1) is derived from any deposit held by, or on behalf of, a firm, an association of persons or a body of individuals, no deduction shall be allowed under this section in respect of such income in computing the total income of any partner of the firm or any member of the association or any individual of the body.

Explanation.—For the purposes of this section, “senior citizen” means an individual resident in India who is of the age of sixty years or more at any time during the relevant previous year.’

33. Insertion of new section 112A.—After section 112 of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely :—

‘112A. Tax on long-term capital gains in certain cases.—(1) Notwithstanding anything contained in section 112, the tax payable by an assessee on his total income shall be determined in accordance with the provisions of sub-section (2), if—

(i) the total income includes any income chargeable under the head “Capital gains“ ;

(ii) the capital gains arise from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust ;

(iii) securities transaction tax under Chapter VII of the Finance (No.2) Act, 2004 (23 of 2004) has,—

(a) in a case where the long-term capital asset is in the nature of an equity share in a company, been paid on acquisition and transfer of such capital asset ; or

(b) in a case where the long-term capital asset is in the nature of a unit of an equity oriented fund or a unit of a business trust, been paid on transfer of such capital asset.

(2) The tax payable by the assessee on the total income referred to in sub-section (1) shall be the aggregate of—

(i) the amount of income-tax calculated on such long-term capital gains exceeding one lakh rupees at the rate of ten per cent. ; and

(ii) the amount of income-tax payable on the total income as reduced by the amount of long-term capital gains referred to in sub-section (1) as if the total income so reduced were the total income of the assessee :

Provided that in the case of an individual or a Hindu undivided family, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, the long-term capital gains, for the purposes of clause (i), shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax.

(3) The condition specified in clause (iii) of sub-section (1) shall not apply to a transfer undertaken on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transfer is received or receivable in foreign currency.

(4) The Central Government may, by notification in the *Official Gazette*, specify the nature of acquisition in respect of which the provisions of sub-clause (a) of clause (iii) of sub-section (1) shall not apply.

(5) Where the gross total income of an assessee includes any long-term capital gains referred to in sub-section (1), the deduction under Chapter VI-A shall be allowed from the gross total income as reduced by such capital gains.

(6) Where the total income of an assessee includes any long-term capital gains referred to in sub-section (1), the rebate under section 87A shall be allowed from the income-tax on the total income as reduced by tax payable on such capital gains.

Explanation.—For the purposes of this section,—

(a) “equity oriented fund” means a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and,—

(i) in a case where the fund invests in the units of another fund which is traded on a recognised stock exchange,—

(A) a minimum of ninety per cent. of the total proceeds of such fund is invested in the units of such other fund ; and

(B) such other fund also invests a minimum of ninety per cent. of its total proceeds in the equity shares of domestic companies listed on a recognised stock exchange ; and

(ii) in any other case, a minimum of sixty-five per cent. of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognised stock exchange :

Provided that the percentage of equity shareholding or unit held in respect of the fund, as the case may be, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures ;

(b) “International Financial Services Centre” shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005) ;

(c) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43.’.

34. Amendment of section 115AD.—In section 115AD of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 2019,—

(a) in clause (iii), the word “and” occurring at the end shall be omitted ;

(b) after clause (iii), the following proviso shall be inserted, namely :—

“Provided that in case of income arising from the transfer of a long-term capital asset referred to in section 112A, income-tax at the rate of ten per cent. shall be calculated on such income exceeding one lakh rupees ; and”.

35. Amendment of section 115BA.—In section 115BA of the Income-tax Act, in sub-section (1), for the words, figures and letter “provisions of section 111A and section 112”, the words “other provisions of this Chapter” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017.

36. Amendment of section 115BBE.—In section 115BBE of the Income-tax Act, in sub-section (2), after the word, brackets and letter “clause (a)”, the words, brackets and letter “and clause (b)” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017.

37. Amendment of section 115JB.—In section 115JB of the Income-tax Act,—

(a) in *Explanation 1*,—

(A) after clause (iig), the following clause shall be inserted, namely :—

‘(iih) the aggregate amount of unabsorbed depreciation and loss brought forward in case of a company against whom an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under section 7 or section 9 or section 10 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

Explanation.—For the purposes of this clause, the expression “Adjudicating Authority” shall have the meaning assigned to it in clause (1) of section 5 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016) and the loss shall not include depreciation ; or’ ;

(B) in clause (iii), after the words “books of account”, the words, brackets, figures and letter “in case of a company other than the company referred to in clause (iih)” shall be inserted ;

(b) after *Explanation 4*, the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2001, namely :—

“*Explanation 4A.*—For the removal of doubts, it is hereby clarified that the provisions of this section shall not be applicable and shall be deemed never to have been applicable to an assessee, being a foreign company, where its total income comprises solely of profits and gains from business referred to in section 44B or section 44BB or section 44BBA or section 44BBB and such income has been offered to tax at the rates specified in those sections.”.

38. Amendment of section 115JC.—In section 115JC of the Income-tax Act, after sub-section (3), the following sub-section shall be inserted with effect from the 1st day of April, 2019, namely :—

‘(4) Notwithstanding anything contained in sub-section (1), where the person referred to therein, is a unit located in an International Financial Services Centre and derives its income solely in convertible foreign exchange, the provisions of sub-section (1) shall have effect as if for the words “eighteen and one-half per cent.”, the words “nine per cent.” had been substituted.’.

39. Amendment of section 115JF.—In section 115JF of the Income-tax Act, with effect from the 1st day of April, 2019,—

(i) for clause (b), the following clause shall be substituted, namely :—

‘(b) “alternate minimum tax” means the amount of tax computed on adjusted total income,—

(i) in case of an assessee being a unit referred to in sub-section (4) of section 115JC, at a rate of nine per cent. ;

(ii) in any other case, at a rate of eighteen and one-half per cent. ;’ ;

(ii) after clause (b), the following clauses shall be inserted, namely :—

‘(ba) “convertible foreign exchange” means a foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purpose of the Foreign Exchange Management Act, 1999 (42 of 1999) and the rules made thereunder ;

(bb) “International Financial Services Centre” shall have the meaning assigned to it in clause (g) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005) ;’ ;

(iii) after clause (d), the following clause shall be inserted, namely :—

‘(e) “unit” means a unit established in an International Financial Services Centre.’.

40. Amendment of section 115-O.—In section 115-O of the Income-tax Act,—

(a) in sub-section (1), the following proviso shall be inserted, namely :—

‘Provided that in respect of dividend referred to in sub-clause (e) of clause (22) of section 2, this sub-section shall have effect as if for the words “fifteen per cent.”, the words “thirty per cent.” had been substituted ;’ ;

(b) in sub-section (1B), the following proviso shall be inserted, namely :—

“Provided that this sub-section shall not apply in respect of dividend referred to in sub-clause (e) of clause (22) of section 2.”.

41. Omission of Explanation occurring after section 115Q.—After section 115Q of the Income-tax Act, the **Explanation** shall be omitted.

42. Amendment of section 115R.—In section 115R of the Income-tax Act, in sub-section (2),—

(A) for clause (i) to clause (iii), the following clauses shall be substituted, namely :—

“(i) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family by a money market mutual fund or a liquid fund ;

(ii) thirty per cent. on income distributed to any other person by a money market mutual fund or a liquid fund ;

(iii) ten per cent. on income distributed to any person by an equity oriented fund ;

(iv) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family by a fund other than a money market mutual fund or a liquid fund or an equity oriented fund ; and

(v) thirty per cent. on income distributed to any other person by a fund other than a money market mutual fund or a liquid fund or an equity oriented fund :” ;

(B) in the second proviso, clause (b) shall be omitted.

43. Amendment of section 115T.—In the *Explanation* occurring after section 115T of the Income-tax Act, for clause (b), the following clause shall be substituted, namely :—

‘(b) “equity oriented fund” means a fund referred to in clause (a) of the *Explanation* to section 112A and the Unit Scheme, 1964 made by the Unit Trust of India ;’.

44. Amendment of section 139A.—In section 139A of the Income-tax Act,—

(A) in sub-section (1),—

(a) in clause (iv), the word “or” shall be inserted at the end ;

(b) after clause (iv), the following clauses shall be inserted, namely :—

“(v) being a resident, other than an individual, which enters into a financial transaction of an amount aggregating to two lakh fifty thousand rupees or more in a financial year ; or

(vi) who is the managing director, director, partner, trustee, author, founder, *karta*, chief executive officer, principal officer or office bearer of the person referred to in clause (v) or any person competent to act on behalf of the person referred to in clause (v),” ;

(B) in the *Explanation* occurring after sub-section (8), in clause (c), the words “and issued in the form of a laminated card” shall be omitted.

45. Amendment of section 140.—In section 140 of the Income-tax Act, in clause (c), in the second proviso,—

(A) in clause (b), after the words “principal officer thereof ;” occurring at the end, the word “or” shall be inserted ;

(B) after clause (b), the following shall be inserted, namely :—

“(c) where in respect of a company, an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under section 7 or section 9 or section 10 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the return shall be verified by the insolvency professional appointed by such Adjudicating Authority.

Explanation.—For the purposes of this clause the expressions “insolvency professional” and “Adjudicating Authority” shall have the respective meanings assigned to them in clause (18) of section 3 and clause (1) of section 5 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016) ;’.

46. Amendment of section 143.—In section 143 of the Income-tax Act,—

(a) in sub-section (1), in clause (a), after the second proviso, the following proviso shall be inserted, namely :—

“Provided also that no adjustment shall be made under sub-clause (vi) in relation to a return furnished for the assessment year commencing on or after the 1st day of April, 2018 ;” ;

(b) after sub-section (3), the following sub-sections shall be inserted, namely :—

“(3A) The Central Government may make a scheme, by notification in the *Official Gazette*, for the purposes of making assessment of total income or loss of the assessee under sub-section (3) so as to impart greater efficiency, transparency and accountability by—

(a) eliminating the interface between the Assessing Officer and the assessee in the course of proceedings to the extent technologically feasible ;

(b) optimising utilisation of the resources through economies of scale and functional specialisation ;

(c) introducing a team-based assessment with dynamic jurisdiction.

(3B) The Central Government may, for the purpose of giving effect to the scheme made under sub-section (3A), by notification in the *Official Gazette*, direct that any of the provisions of this Act relating to assessment of total income or loss shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified in the notification :

Provided that no direction shall be issued after the 31st day of March, 2020.

(3C) Every notification issued under sub-section (3A) and sub-section (3B) shall, as soon as may be after the notification is issued, be laid before each House of Parliament.”.

47. Substitution of new sections 145A and 145B for section 145A.—For section 145A of the Income-tax Act, the following sections shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017, namely :—

‘145A. Method of accounting in certain cases.—For the purpose of determining the income chargeable under the head “Profits and gains of business or profession”,—

(i) the valuation of inventory shall be made at lower of actual cost or net realisable value computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145 ;

(ii) the valuation of purchase and sale of goods or services and of inventory shall be adjusted to include the amount of any tax, duty, cess or fee (by whatever name called) actually paid or incurred by the assessee to bring the goods or services to the place of its location and condition as on the date of valuation ;

(iii) the inventory being securities not listed on a recognised stock exchange, or listed but not quoted on a recognised stock exchange with regularity from time to time, shall be valued at actual cost initially recognised in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145 ;

(iv) the inventory being securities other than those referred to in clause (iii), shall be valued at lower of actual cost or net realisable value in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145 :

Provided that the inventory being securities held by a scheduled bank or public financial institution shall be valued in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145 after taking into account the extant guidelines issued by the Reserve Bank of India in this regard :

Provided further that the comparison of actual cost and net realisable value of securities shall be made category-wise.

Explanation 1.—For the purposes of this section, any tax, duty, cess or fee (by whatever name called) under any law for the time being in force, shall include all such payment notwithstanding any right arising as a consequence to such payment.

Explanation 2.—For the purposes of this section,—

(a) “public financial institution” shall have the meaning assigned to it in clause (72) of section 2 of the Companies Act, 2013 (18 of 2013) ;

(b) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43 ;

(c) “scheduled bank” shall have the meaning assigned to it in clause (ii) of the *Explanation* to clause (vii) of sub-section (1) of section 36.

145B. Taxability of certain income.—(1) Notwithstanding anything to the contrary contained in section 145, the interest received by an assessee on any compensation or on enhanced compensation, as the case may be, shall be deemed to be the income of the previous year in which it is received.

(2) Any claim for escalation of price in a contract or export incentives shall be deemed to be the income of the previous year in which reasonable certainty of its realisation is achieved.

(3) The income referred to in sub-clause (xviii) of clause (24) of section 2 shall be deemed to be the income of the previous year in which it is received, if not charged to income-tax in any earlier previous year.’

48. Amendment of section 193.—In section 193 of the Income-tax Act, in the proviso, in clause (iv), in the proviso, after the figures, words and brackets “8% Savings (Taxable) Bonds, 2003”, the words, figures and brackets “or 7.75% Savings (Taxable) Bonds, 2018” shall be inserted.

49. Amendment of section 194A.—In section 194A of the Income-tax Act, in sub-section (3), in clause (i), after the second proviso, the following shall be inserted, namely :—

‘Provided also that in case of payee being a senior citizen, the provisions of sub-clause (a), sub-clause (b), and sub-clause (c) shall have effect as if for the words “ten thousand rupees”, the words “fifty thousand rupees” had been substituted.

Explanation.—For the purposes of this clause, “senior citizen” means an individual resident in India who is of the age of sixty years or more at any time during the relevant previous year ;’.

50. Amendment of section 245-O.—In section 245-O of the Income-tax Act,—

(i) in sub-section (1), the following proviso shall be inserted, namely :—

“Provided that the Authority shall cease to act as an Authority for Advance Rulings for the purposes of Chapter V of the Customs Act, 1962 (52 of 1962) on and from the date of appointment of the Customs Authority for Advance Rulings under section 28EA of that Act.” ;

(ii) after sub-section (1), the following sub-section shall be inserted, namely :—

“(1A) On and from the date of appointment of the Customs Authority for Advance Rulings referred to in the proviso to sub-section (1), the Authority shall act as an Appellate Authority, for the purpose of Chapter V of the Customs Act, 1962 (52 of 1962) :

Provided that the Authority shall not admit any appeal against any ruling or order passed earlier by it in the capacity of the Authority for Advance Rulings in relation to any matter under Chapter V of the Customs Act, 1962 (52 of 1962) after the date of such appointment of the Customs Authority for Advance Rulings.” ;

(iii) after sub-section (7), the following proviso shall be inserted, namely :—

“Provided that where the Authority is dealing with an application seeking advance ruling in any matter relating to this Act, the revenue Member of the Bench shall be such Member as referred to in sub-clause (i) of clause (c) of sub-section (3).”.

51. Amendment of section 245Q.—In section 245Q of the Income-tax Act, in sub-section (1), the words, letter and figures “or under Chapter V of the Customs Act, 1962 (52 of 1962)” shall be omitted with effect from the date of appointment of the Customs Authority for Advance Rulings under section 28EA of the Customs Act, 1962.

52. Amendment of section 253.—In section 253 of the Income-tax Act, in sub-section (1), in clause (a), after the word, figures and letter “section 271A”, the word, figures and letter “, section 271J” shall be inserted.

53. Amendment of section 271FA.—In section 271FA of the Income-tax Act,—

(a) for the words “one hundred rupees”, the words “five hundred rupees” shall be substituted ;

(b) for the words “five hundred rupees”, the words “one thousand rupees” shall be substituted.

54. Amendment of section 276CC.—In section 276CC of the Income-tax Act, in the proviso, in clause (ii), in sub-clause (b), for the words “tax payable by him”, the words “tax payable by such person, not being a company,” shall be substituted.

55. Amendment of section 286.—In section 286 of the Income-tax Act,—

(a) in sub-section (2), for the words, brackets and figures “on or before the due date specified under sub-section (1) of section 139, for furnishing the return of income for the relevant accounting year”, the words “within a period of twelve months from the end of the said reporting accounting year” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017 ;

(b) in sub-section (3), after the word, brackets and figure “sub-section (2)”, the words, brackets and figure “and sub-section (4)” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017 ;

(c) in sub-section (4),—

(i) after the words “reporting accounting year”, the words “within the period as may be prescribed” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017 ;

(ii) clause (a) shall be relettered as clause (aa) thereof and before clause (aa) as so relettered, the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely :—

“(a) where the parent entity is not obligated to file the report of the nature referred to in sub-section (2) ;” ;

(d) in sub-section (5),—

(i) in the opening portion, for the words “in the said sub-section”, the words “by that country or territory” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017 ;

(ii) in clause (e), for the word “entities”, the word “entity” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017 ;

(e) in sub-section (9),—

(A) for clause (b), the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017, namely :—

“(b) “agreement” means a combination of all of the following agreements, namely :—

(i) an agreement entered into under sub-section (1) of section 90 or sub-section (1) of section 90A ; and

(ii) an agreement for exchange of the report referred to in sub-section (2) and notified by the Central Government ;” ;

(B) in clause (d), in sub-clause (iii), for the words, brackets and figures “clause (i) or clause (ii)”, the words, brackets and figures “sub-clause (i) or sub-clause (ii)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017 ;

(C) in clause (h), in the long line, for the words, brackets and figures “clause (i) or clause (ii)”, the words, brackets and figures “sub-clause (i) or sub-clause (ii)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017 ;

(D) in clause (j), for the word, brackets and figure “sub-section (2)”, the words, brackets and figures “sub-sections (2) and (4)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017.

CHAPTER IV

INDIRECT TAXES

Customs

56. Substitution of references to certain expressions by certain other expressions.—Throughout the Customs Act, 1962 (52 of 1962) (hereinafter referred to as the Customs Act), for the words “import manifest” and “export manifest”, wherever they occur, the words “arrival manifest or import manifest” and “departure manifest or export manifest” shall, respectively, be substituted, and such other consequential amendments as the rules of grammar may require shall also be made.

57. Amendment of section 1.—In the Customs Act, in section 1, in sub-section (2), after the word “India”, the words “and, save as otherwise provided in this Act, it applies also to any offence or contravention thereunder committed outside India by any person” shall be inserted.

58. Amendment of section 2.—In the Customs Act, in section 2,—

(i) for clause (2), the following clause shall be substituted, namely :—

“(2) “assessment” means determination of the dutiability of any goods and the amount of duty, tax, cess or any other sum so payable, if any, under this Act or under the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act) or under any other law for the time being in force, with reference to—

(a) the tariff classification of such goods as determined in accordance with the provisions of the Customs Tariff Act ;

(b) the value of such goods as determined in accordance with the provisions of this Act and the Customs Tariff Act ;

(c) exemption or concession of duty, tax, cess or any other sum, consequent upon any notification issued therefor under this Act or under the Customs Tariff Act or under any other law for the time being in force ;

(d) the quantity, weight, volume, measurement or other specifics where such duty, tax, cess or any other sum is leviable on the basis of the quantity, weight, volume, measurement or other specifics of such goods ;

(e) the origin of such goods determined in accordance with the provisions of the Customs Tariff Act or the rules made thereunder, if the amount of duty, tax, cess or any other sum is affected by the origin of such goods ;

(f) any other specific factor which affects the duty, tax, cess or any other sum payable on such goods,

and includes provisional assessment, self-assessment, re-assessment and any assessment in which the duty assessed is *nil* ;’ ;

(ii) in clause (6), for the words “Central Board of Excise and Customs”, the words “Central Board of Indirect Taxes and Customs” shall be substituted ;

(iii) in clause (28), for the words and figure “contiguous zone of India under section 5”, the words and figure “Exclusive Economic Zone under section 7” shall be substituted ;

(iv) after clause (30A), the following clause shall be inserted, namely :—

“(30AA) “notification” means notification published in the *Official Gazette* and the expression “notify” with its cognate meaning and grammatical variation shall be construed accordingly ;’.

59. Amendment of section 11.—In the Customs Act, in section 11, after sub-section (2), the following sub-section shall be inserted with effect from such date as the Central Government may, by notification in the *Official Gazette*, appoint, namely :—

“(3) Any prohibition or restriction or obligation relating to import or export of any goods or class of goods or clearance thereof provided in any other law for the time being in force, or any rule or regulation made or any order or notification issued thereunder, shall be executed under the provisions of that Act only if such prohibition or restriction or obligation is notified under the provisions of this Act, subject to such exceptions, modifications or adaptations as the Central Government deems fit.”.

60. Amendment of section 17.—In the Customs Act, in section 17,—

(i) in sub-section (2),—

(a) for the words “the self-assessment of such goods”, the words, figures and brackets “the entries made under section 46 or section 50 and the self-assessment of goods referred to in sub-section (1)” shall be substituted ;

(b) the following proviso shall be inserted, namely :—

“Provided that the selection of cases for verification shall primarily be on the basis of risk evaluation through appropriate selection criteria.” ;

(ii) in sub-section (3), for the words “verification of self-assessment”, the words “the purposes of verification” shall be substituted ;

(iii) in sub-section (5), the words “regarding valuation of goods, classification, exemption or concessions of duty availed consequent to any notification issued therefor under this Act” shall be omitted ;

(iv) sub-section (6) shall be omitted.

61. Amendment of section 18.—In the Customs Act, in section 18,—

(i) in sub-section (1), in the opening portion, after the word and figures “section 46”, the words and figures “and section 50” shall be inserted ;

(ii) after sub-section (1), the following sub-section shall be inserted, namely :—

“(1A) Where, pursuant to the provisional assessment under sub-section (1), if any document or information is required by the proper officer for final assessment, the importer or exporter, as the case may be, shall submit such document or information within such time, and the proper officer shall finalise the provisional assessment within such time and in such manner, as may be prescribed.” ;

(iii) in sub-section (3), for the figures and letters “28AB”, the figures and letters “28AA” shall be substituted and shall be deemed to have been substituted retrospectively with effect from the 8th day of April, 2011.

62. Insertion of new sections 25A and 25B.—In the Customs Act, after section 25, the following sections shall be inserted, namely :—

“25A. Inward processing of goods.—Where the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification, exempt such of the goods which are imported for the purposes of repair, further processing or manufacture, as may be specified therein, from the whole or any part of duty of customs leviable thereon, subject to the following conditions, namely :—

(a) the goods shall be re-exported after such repair, further processing or manufacture, as the case may be, within a period of one year from the date on which the order for clearance of the imported goods is made ;

(b) the imported goods are identifiable in the export goods ; and

(c) such other conditions as may be specified in that notification.

25B. Outward processing of goods.—Notwithstanding anything contained in section 20, where the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification, exempt such of the goods which are re-imported after being exported for the purposes

of repair, further processing or manufacture, as may be specified therein, from the whole or any part of duty of customs leviable thereon, subject to the following conditions, namely :—

(a) the goods shall be re-imported into India after such repair, further processing or manufacture, as the case may be, within a period of one year from the date on which the order permitting clearance for export is made ;

(b) the exported goods are identifiable in the re-imported goods ; and

(c) such other conditions as may be specified in that notification.”.

63. Amendment of section 28.—In the Customs Act, in section 28,—

(i) in sub-section (1), in clause (a), the following proviso shall be inserted, namely :—

“Provided that before issuing notice, the proper officer shall hold pre-notice consultation with the person chargeable with duty or interest in such manner as may be prescribed ;” ;

(ii) after sub-section (7), the following sub-section shall be inserted, namely :—

“(7A) Save as otherwise provided in clause (a) of sub-section (1) or in sub-section (4), the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed, and the provisions of this section shall apply to such supplementary notice as if it was issued under the said sub-section (1) or sub-section (4).” ;

(iii) in sub-section (9),—

(a) the words “where it is possible to do so”, at both the places where they occur, shall be omitted ;

(b) the following provisos shall be inserted, namely :—

“Provided that where the proper officer fails to so determine within the specified period, any officer senior in rank to the proper officer may, having regard to the circumstances under which the proper officer was prevented from determining the amount of duty or interest under sub-section (8), extend the period specified in clause (a) to a further period of six months and the period specified in clause (b) to a further period of one year :

Provided further that where the proper officer fails to determine within such extended period, such proceeding shall be deemed to have concluded as if no notice had been issued.” ;

(iv) after sub-section (9), the following sub-section shall be inserted, namely :—

“(9A) Notwithstanding anything contained in sub-section (9), where the proper officer is unable to determine the amount of duty or interest under sub-section (8) for the reason that—

(a) an appeal in a similar matter of the same person or any other person is pending before the Appellate Tribunal or the High Court or the Supreme Court ; or

(b) an interim order of stay has been issued by the Appellate Tribunal or the High Court or the Supreme Court ; or

(c) the Board has, in a similar matter, issued specific direction or order to keep such matter pending ; or

(d) the Settlement Commission has admitted an application made by the person concerned,

the proper officer shall inform the person concerned the reason for non-determination of the amount of duty or interest under sub-section (8) and in such case, the time specified in sub-section (9) shall apply not from the date of notice, but from the date when such reason ceases to exist.” ;

(v) after sub-section (10), the following sub-sections shall be inserted, namely :—

“(10A) Notwithstanding anything contained in this Act, where an order for refund under sub-section (2) of section 27 is modified in any appeal and the amount of refund so determined is less than the amount refunded under said sub-section, the excess amount so refunded shall be recovered along with interest thereon at the rate fixed by the Central Government under section 28AA, from the date of refund upto the date of recovery, as a sum due to the Government.

(10-B) A notice issued under sub-section (4) shall be deemed to have been issued under sub-section (1), if such notice demanding duty is held not sustainable in any proceeding under this Act, including at any stage of appeal, for the reason that the charges of collusion or any wilful mis-statement or suppression of facts to evade duty has not been established against the person to whom such notice was issued and the amount of duty and the interest thereon shall be computed accordingly.” ;

(vi) after *Explanation 3*, the following *Explanation* shall be inserted, namely :—

“*Explanation 4.*—For the removal of doubts, it is hereby declared that in cases where notice has been issued for non-levy, not paid, short-levy or short-paid or erroneous refund after the 14th day of May, 2015, but before the date on which the Finance Bill, 2018 receives the assent of the President, they shall continue to be governed by the provisions of section 28 as it stood immediately before the date on which such assent is received.”.

64. Amendment of section 28-E.—In the Customs Act, in section 28-E,—

(i) clause (a) shall be omitted ;

(ii) for clause (b), the following clause shall be substituted, namely :—

“(b) “advance ruling” means a written decision on any of the questions referred to in section 28-H raised by the applicant in his application in respect of any goods prior to its importation or exportation ;” ;

(iii) after clause (b), the following clause shall be inserted, namely :—

“(ba) “Appellate Authority” means the Authority for Advance Rulings constituted under section 245-O of the Income-tax Act, 1961 (43 of 1961) ;” ;

(iv) for clause (c), the following clause shall be substituted, namely :—

“(c) “applicant” means any person,—

(i) holding a valid Importer-Exporter Code Number granted under section 7 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) ; or

(ii) exporting any goods to India ; or

(iii) with a justifiable cause to the satisfaction of the Authority,

who makes an application for advance ruling under section 28-H ;” ;

(v) for clause (e), the following clause shall be substituted, namely :—

“(e) “Authority” means the Customs Authority for Advance Rulings appointed under section 28-EA ;” ;

(vi) in clause (f), for the word “Authority”, the words “Appellate Authority” shall be substituted ;

(vii) in clause (g), for the word “Authority”, the words “Appellate Authority” shall be substituted.

65. Insertion of new section 28-EA.—In the Customs Act, after section 28-E, the following section shall be inserted, namely :—

“28-EA. Customs Authority for Advance Rulings.—(1) The Board may, for the purposes of giving advance rulings under this Act, by notification, appoint an officer of the rank of Principal Commissioner of Customs or Commissioner of Customs to function as a Customs Authority for Advance Rulings :

Provided that, till the date of appointment of the Customs Authority for Advance Rulings, the existing Authority for Advance Rulings constituted under section 245-O of the Income-tax Act, 1961 (43 of 1961) shall continue to be the Authority for giving advance rulings for the purposes of this Act.

(2) The offices of the Authority may be established in New Delhi and at such other places, as the Board may deem fit.

(3) Subject to the provisions of this Act, the Authority shall exercise the powers and authority conferred on it by or under this Act.”.

66. Amendment of section 28-F.—In the Customs Act, in section 28-F,—

(i) in sub-section (1),—

(a) in the opening paragraph, for the words “the Authority for giving advance rulings for the purposes of this Act and the said Authority”, the words “the Appellate Authority for deciding appeal under this Chapter and the said Appellate Authority” shall be substituted ;

(b) in the proviso, for the word “Authority”, the words “Appellate Authority” shall be substituted ;

(ii) after sub-section (2), the following sub-section shall be inserted, namely :—

“(3) On and from the date of appointment of the Customs Authority for Advance Rulings, every application and proceeding pending before the erstwhile Authority for Advance Rulings shall stand transferred to the Authority from the stage at which such application or proceeding stood as on the date of such appointment.”.

67. Amendment of section 28-H.—In the Customs Act, in section 28-H,—

(i) in sub-section (2),—

(a) for clause (d), the following clause shall be substituted, namely :—

“(d) applicability of notifications issued in respect of tax or duties under this Act or the Customs Tariff Act, 1975 (51 of 1975) or any tax or duty chargeable under any other law for the time being in force in the same manner as duty of customs leviable under this Act or the Customs Tariff Act ;” ;

(b) after clause (e), the following clause shall be inserted, namely :—

“(f) any other matter as the Central Government may, by notification, specify.” ;

(ii) after sub-section (4), the following sub-section shall be inserted, namely :—

“(5) The applicant may be represented by any person resident in India who is authorised in this behalf.

Explanation.—For the purposes of this sub-section “resident” shall have the same meaning as assigned to it in clause (42) of section 2 of the Income-tax Act, 1961 (43 of 1961).’.

68. Amendment of section 28-I.—In the Customs Act, in section 28-I, in sub-section (6), for the words “six months”, the words “three months” shall be substituted.**69.** Amendment of section 28-K.—In the Customs Act, in section 28K, in sub-section (1),—

(i) the brackets and words “(after excluding the period beginning with the date of such advance ruling and ending with the date of order under this sub-section)” shall be omitted ;

(ii) the following proviso shall be inserted, namely :—

“Provided that in computing the period of two years referred to in clause (a) of sub-section (1) of section 28, or five years referred to in sub-section (4) thereof, for service of notice for recovery of any duty not levied, short-levied, not paid or short-paid on account of the advance ruling, the period beginning with the date of such advance ruling and ending with the date of the order under this sub-section shall be excluded.”.

70. Insertion of new section 28-KA.—In the Customs Act, after section 28-K, the following section shall be inserted with effect from such date as the Central Government may, by notification, appoint, namely :—

“28-KA. Appeal.—(1) Any officer authorised by the Board, by notification, or the applicant may file an appeal to the Appellate Authority against any ruling or order passed by the Authority, within sixty days from the date of the communication of such ruling or order, in such form and manner as may be prescribed :

Provided that, where the Appellate Authority is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the period so specified, it may allow a further period of thirty days for filing such appeal.

(2) The provisions of sections 28-I and 28-J shall, *mutatis mutandis*, apply to the appeal under this section.”.

71. Amendment of section 28-L.—In the Customs Act, in section 28-L, for the word “Authority” wherever it occurs, the words “Authority or Appellate Authority” shall be substituted.

72. Substitution of new section for section 28-M.—In the Customs Act, for section 28-M, the following section shall be substituted, namely :—

“28-M. Procedure for Authority Appellate Authority.—(1) The Authority shall follow such procedure as may be prescribed.

(2) The Appellate Authority shall, subject to the provisions of this Chapter, have power to regulate its own procedure in all matters arising out of the exercise of its powers and authority under this Act.”.

73. Amendment of section 30.—In the Customs Act, in section 30, in sub-section (1),—

(i) after the words “imported goods”, the words “or export goods” shall be inserted ;

(ii) for the words “the prescribed form”, the words “such form and manner as may be prescribed” shall be substituted.

74. Amendment of section 41.—In the Customs Act, in section 41, in sub-section (1),—

(i) after the words “export goods”, the words “or imported goods” shall be inserted ;

(ii) for the words “the prescribed form”, the following shall be substituted, namely :—

“such form and manner as may be prescribed and in case, the person-in-charge fails to deliver the departure manifest or export manifest or the export report or any part thereof within such time, and the proper officer is satisfied that there is no sufficient cause for such delay, such person-in-charge shall be liable to pay penalty not exceeding fifty thousand rupees”.

75. Amendment of section 45.—In the Customs Act, in section 45, in sub-section (2), in clause (b), after the words “proper officer”, the words “or in such manner as may be prescribed” shall be inserted.

76. Amendment of section 46.—In the Customs Act, in section 46,—

(i) in sub-section (1),—

(a) after the word “electronically”, at both the places where it occurs, the words “on the customs automated system” shall be inserted ;

(b) for the words “in the prescribed form”, the words “in such form and manner as may be prescribed” shall be substituted ;

(ii) in sub-section (3), in the first proviso, for the words “within thirty days of ”, the words “at any time not exceeding thirty days prior to” shall be substituted ;

(iii) in sub-section (4), for the words “relating to the imported goods”, the words “and such other documents relating to the imported goods as may be prescribed” shall be substituted ;

(iv) after sub-section (4), the following sub-section shall be inserted, namely :—

“(4-A) The importer who presents a bill of entry shall ensure the following, namely :—

(a) the accuracy and completeness of the information given therein ;

(b) the authenticity and validity of any document supporting it ; and

(c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.”.

77. Amendment of section 47.—In the Customs Act, in section 47, in sub-section (1), in the proviso, for the words “Provided that”, the following shall be substituted, namely :—

“Provided that, such order may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria :

Provided further that”.

78. Amendment of section 50.—In the Customs Act, in section 50,—

(i) in sub-section (1),—

(a) after the word “electronically”, at both the places where it occurs, the words “on the customs automated system” shall be inserted ;

(b) for the words “in the prescribed form”, the words “in such form and manner as may be prescribed” shall be substituted ;

(ii) after sub-section (2), the following sub-section shall be inserted, namely :—

“(3) The exporter who presents a shipping bill or bill of export under this section shall ensure the following, namely :—

(a) the accuracy and completeness of the information given therein ;

(b) the authenticity and validity of any document supporting it ; and

(c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.”.

79. Amendment of section 51.—In the Customs Act, in section 51, in sub-section (1), in the proviso, for the words “Provided that”, the following shall be substituted, namely :—

“Provided that, such order may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria :

Provided further that”.

80. Insertion of new Chapter VII-A.—In the Customs Act, after Chapter VII, the following Chapter shall be inserted with effect from such date as the Central Government may, by notification in the *Official Gazette*, appoint, namely :—

“CHAPTER VII-A

PAYMENTS THROUGH ELECTRONIC CASH LEDGER

51-A. Payment of duty, interest, penalty, etc.—(1) Every deposit made towards duty, interest, penalty, fee or any other sum payable by a person under the provisions of this Act or under the Customs Tariff Act, 1975 (51 of 1975) or under any other law for the time being in force or the rules and regulations made thereunder, using authorised mode of payment shall, subject to such conditions and restrictions, be credited to the electronic cash ledger of such person, to be maintained in such manner, as may be prescribed.

(2) The amount available in the electronic cash ledger may be used for making any payment towards duty, interest, penalty, fees or any other sum payable under the provisions of this Act or under the Customs Tariff Act, 1975 (51 of 1975) or under any other law for the time being in force or the rules and regulations made thereunder in such manner and subject to such conditions and within such time as may be prescribed.

(3) The balance in the electronic cash ledger, after payment of duty, interest, penalty, fee or any other amount payable, may be refunded in such manner as may be prescribed.

(4) Notwithstanding anything contained in this section, if the Board is satisfied that it is necessary or expedient so to do, it may, by notification, exempt the deposits made by such class of persons or with respect to such categories of goods, as may be specified in the notification, from all or any of the provisions of this section.”.

81. Amendment of section 54.—In the Customs Act, in section 54, in sub-section (1),—

(i) for the words “the prescribed form”, the words “such form and manner as may be prescribed” shall be substituted ;

(ii) in the proviso, for the words “the prescribed form”, the words “such form and manner as may be prescribed” shall be substituted.

82. Amendment of section 60.—In the Customs Act, in section 60, in sub-section (1), the following proviso shall be inserted, namely :—

“Provided that such order may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria.”.

83. Amendment of section 68.—In the Customs Act, in section 68,—

(a) in the first proviso, for the words “Provided that”, the following shall be substituted, namely :—

“Provided that the order referred to in clause (c) may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria :

Provided further that” ;

(b) in the second proviso, for the words “Provided further that”, the words “Provided also that” shall be substituted.

84. Amendment of section 69.—In the Customs Act, in section 69, in sub-section (1), the following proviso shall be inserted, namely :—

“Provided that the order referred to in clause (c) may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria.”.

85. Amendment of section 74.—In the Customs Act, in section 74, in sub-section (1), in clause (iii), for the word and figures “section 82”, the words, brackets, letter and figures “clause (a) of section 84” shall be substituted.

86. Amendment of section 75.—In the Customs Act, in section 75, in sub-section (1), for the word and figures “section 82”, the words, brackets, letter and figures “clause (a) of section 84” shall be substituted.

87. Amendment of Chapter heading.—In the Customs Act, in Chapter XI, in the heading, for the word “POST”, the words “POST, COURIER” shall be substituted.

88. Amendment of section 83.—In the Customs Act, in section 83,—

(a) for the word “post”, wherever it occurs, the words “post or courier” shall be substituted ;

(b) for the words “postal authorities” at both the places where they occur, the words “postal authorities or the authorised courier” shall be substituted.

89. Amendment of section 84.—In the Customs Act, in section 84, for the word “post”, wherever it occurs, the words “post or courier” shall be substituted.

90. Insertion of new Chapter XIIA.—In the Customs Act, after Chapter XII, the following Chapter shall be inserted, namely :—

‘CHAPTER XIIA

AUDIT

99A. Audit.—The proper officer may carry out the audit of assessment of imported goods or export goods or of an auditee under this Act either in his office or in the premises of the auditee in such manner as may be prescribed.

Explanation.—For the purposes of this section, “auditee” means a person who is subject to an audit under this section and includes an importer or exporter or custodian approved under section 45 or licensee of a warehouse and any other person concerned directly or indirectly in clearing, forwarding, stocking, carrying, selling or purchasing of imported goods or export goods or dutiable goods.’.

91. Insertion of new section 109A.—In the Customs Act, after section 109, the following section shall be inserted, namely :—

‘109A. Power to undertake controlled delivery.—Notwithstanding anything contained in this Act, the proper officer or any other officer authorised by him in this behalf, may undertake controlled delivery of any consignment of such goods and in such manner as may be prescribed, to—

(a) any destination in India ; or

(b) a foreign country, in consultation with the competent authority of such country to which such consignment is destined.

Explanation.—For the purposes of this section “controlled delivery” means the procedure of allowing consignment of such goods to pass out of, or into, the territory of India with the knowledge and under the supervision of proper officer for identifying the persons involved in the commission of an offence or contravention under this Act.’.

92. Amendment of section 110.—In the Customs Act, in section 110, in sub-section (2), for the proviso, the following provisos shall be substituted, namely :—

“Provided that the Principal Commissioner of Customs or Commissioner of Customs may, for reasons to be recorded in writing, extend such period to a further period not exceeding six months and inform the person from whom such goods were seized before the expiry of the period so specified :

Provided further that where any order for provisional release of the seized goods has been passed under section 110A, the specified period of six months shall not apply.”.

93. Amendment of section 122.—In the Customs Act, in section 122, for clauses (b) and (c), the following clause shall be substituted, namely :—

“(b) up to such limit, by such officers, as the Board may, by notification, specify.”.

94. Amendment of section 124.—In the Customs Act, in section 124, after the proviso, the following proviso shall be inserted, namely :—

“Provided further that notwithstanding issue of notice under this section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.”.

95. Amendment of section 125.—In the Customs Act, in section 125,—

(i) in sub-section (1), in the proviso, for the words “Provided that”, the following shall be substituted, namely :—

“Provided that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, the provisions of this section shall not apply :

Provided further that” ;

(ii) after sub-section (2), the following shall be inserted, namely :—

“(3) Where the fine imposed under sub-section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.

Explanation.—For removal of doubts, it is hereby declared that in cases where an order under sub-section (1) has been passed before the date on which the Finance Bill, 2018 receives the assent of the President and no appeal is pending against such order as on that date, the option under said sub-section may be exercised within a period of one hundred and twenty days from the date on which such assent is received.”.

96. Amendment of section 128A.—In the Customs Act, in section 128A, in sub-section (3), for the words “just and proper, confirming, modifying or annulling the decision or order appealed against”, the following shall be substituted, namely :—

“just and proper,—

(a) confirming, modifying or annulling the decision or order appealed against ; or

(b) referring the matter back to the adjudicating authority with directions for fresh adjudication or decision, as the case may be, in the following cases, namely :—

(i) where an order or decision has been passed without following the principles of natural justice ; or

(ii) where no order or decision has been passed after re-assessment under section 17 ; or

(iii) where an order of refund under section 27 has been issued by crediting the amount to Fund without recording any finding on the evidence produced by the applicant.”.

97. Insertion of new section 143AA.—In the Customs Act, after section 143, the following section shall be inserted, namely :—

“143AA. Power to simplify or provide different procedure, etc., to facilitate trade.—Notwithstanding anything contained in any other provision of this Act, the Board may, for the purposes of facilitation of trade, take such measures or prescribe separate procedure or documentation for a class of importers or exporters or for categories of goods or on the basis of the modes of transport of goods, in order to,—

- (a) maintain transparency in the import and export documentation ; or
- (b) expedite clearance or release of goods entered for import or export ; or
- (c) reduce the transaction cost of clearance of importing or exporting goods ; or
- (d) maintain balance between customs control and facilitation of legitimate trade.”.

98. Insertion of new section 151B.—In the Customs Act, after section 151A, the following section shall be inserted, namely :—

‘151B. Reciprocal arrangement for exchange of information facilitating trade.—(1) The Central Government may enter into an agreement or any other arrangement with the Government of any country outside India or with such competent authorities of that country, as it deems fit, for facilitation of trade, enforcing the provisions of this Act and exchange of information for trade facilitation, effective risk analysis, verification of compliance and prevention, combating and investigation of offences under the provisions of this Act or under the corresponding laws in force in that country.

(2) The Central Government may, by notification, direct that the provisions of this section shall apply to the contracting State with which reciprocal agreement or arrangements have been made, subject to such conditions, exceptions or qualifications as may be specified in that notification.

(3) Subject to the provisions of sub-section (2), the information received under sub-section (1) may also be used as evidence in investigations and proceedings under this Act.

(4) Where the Central Government has entered into a multilateral agreement for exchange of information or documents for the purpose of verification of compliance in identified cases, the Board shall specify the procedure for such exchange, the conditions subject to which such exchange shall be made and designation of the person through whom such information shall be exchanged.

(5) Notwithstanding anything contained in sub-section (1) or sub-section (2) or sub-section (3), anything done or any action taken or purported to have been done or taken, in pursuance to any agreement entered into or any other arrangement made by the Central Government prior to the date on which the Finance Bill, 2018 receives the assent of the President, shall be deemed to have been done or taken under the provisions of this section.

Explanation.—For the purposes of this section, the expressions,—

(i) “contracting State” means any country outside India in respect of which agreement or arrangements have been made by the Central Government with the Government or authority of such country through an agreement or otherwise ;

(ii) “corresponding law” means any law in force in the contracting State corresponding to any of the provisions of this Act or dealing with offences in that country corresponding to any of the offences under this Act.’.

99. Substitution of new section for section 153.—In the Customs Act, for section 153, the following section shall be substituted, namely :—

“153. Modes for service of notice, order, etc.—(1) An order, decision, summons, notice or any other communication under this Act or the rules made thereunder may be served in any of the following modes, namely :—

- (a) by giving or tendering it directly to the addressee or importer or exporter or his customs broker or his authorised representative including employee, advocate or any other person or to any adult member of his family residing with him ;

(b) by a registered post or speed post or courier with acknowledgement due, delivered to the person for whom it is issued or to his authorised representative, if any, at his last known place of business or residence ;

(c) by sending it to the e-mail address as provided by the person to whom it is issued, or to the e-mail address available in any official correspondence of such person ;

(d) by publishing it in a newspaper widely circulated in the locality in which the person to whom it is issued is last known to have resided or carried on business ; or

(e) by affixing it in some conspicuous place at the last known place of business or residence of the person to whom it is issued and if such mode is not practicable for any reason, then, by affixing a copy thereof on the notice board of the office or uploading on the official website, if any.

(2) Every order, decision, summons, notice or any communication shall be deemed to have been served on the date on which it is tendered or published or a copy thereof is affixed or uploaded in the manner provided in sub-section (1).

(3) When such order, decision, summons, notice or any communication is sent by registered post or speed post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by such post in transit unless the contrary is proved.”.

100. Amendment of section 157.—In the Customs Act, in section 157, in sub-section (2),—

(i) in clause (a), after the word “form”, the words “and manner to deliver or present” shall be inserted ;

(ii) for clause (d), the following clauses shall be substituted, namely :—

“(d) the time and manner of finalisation of provisional assessment ;

(e) the manner of conducting pre-notice consultation ;

(f) the circumstances under which, and the manner in which, supplementary notice may be issued ;

(g) the form and manner in which an application for advance ruling or appeal shall be made, and the procedure for the Authority, under Chapter VB ;

(h) the manner of clearance or removal of imported or export goods ;

(i) the documents to be furnished in relation to imported goods ;

(j) the conditions, restrictions and the manner of making deposits in electronic cash ledger, the utilisation and refund therefrom and the manner of maintaining such ledger ;

(k) the manner of conducting audit ;

(l) the goods for controlled delivery and the manner thereof ;

(m) the measures and separate procedure or documentation for a class of importers or exporters or categories of goods or on the basis of the modes of transport of goods.”.

101. *Amendment of notification issued under sub-section (1) of section 25 of Customs Act and sub-section (12) of section 3 of Customs Tariff Act, retrospectively.*—(1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 850 (E), dated the 8th July, 2017, amending the notification number G.S.R. 785 (E), dated the 30th June, 2017 which was issued in exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) and sub-section (12) of section 3 of the Customs Tariff Act, 1975 (51 of 1975), shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017.

(2) Refund shall be made of all such integrated tax which has been collected, but which would not have been so collected, had the amendment made *vide* the notification referred to in sub-section (1) been in force at all material times :

Provided that an application for claim of integrated tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives the assent of the President.

Customs Tariff

102. Amendment of Customs Tariff Act, 1975.—In the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), in section 3,—

(i) in sub-section (7), after the word, brackets and figure “sub-section (8)”, the words, brackets, figure and letter “or sub-section (8A), as the case may be” shall be inserted ;

(ii) after sub-section (8), the following sub-section shall be inserted, namely :—

‘(8A) Where the goods deposited in a warehouse under the provisions of the Customs Act, 1962 (52 of 1962) are sold to any person before clearance for home consumption or export under the said Act, the value of such goods for the purpose of calculating the integrated tax under sub-section (7) shall be,—

(a) where the whole of the goods are sold, the value determined under sub-section (8) or the transaction value of such goods, whichever is higher ; or

(b) where any part of the goods is sold, the proportionate value of such goods as determined under sub-section (8) or the transaction value of such goods, whichever is higher :

Provided that where the whole of the warehoused goods or any part thereof are sold more than once before such clearance for home consumption or export, the transaction value of the last such transaction shall be the transaction value for the purposes of clause (a) or clause (b) :

Provided further that in respect of warehoused goods which remain unsold, the value or the proportionate value, as the case may be, of such goods shall be determined in accordance with the provisions of sub-section (8).

Explanation.— For the purposes of this sub-section, the expression “transaction value”, in relation to warehoused goods, means the amount paid or payable as consideration for the sale of such goods.’ ;

(iii) in sub-section (9), after the word, brackets and figures “sub-section (10)”, the words, brackets, figures and letter “or sub-section (10A), as the case may be” shall be inserted ;

(iv) after sub-section (10), the following sub-section shall be inserted, namely :—

‘(10A) Where the goods deposited in a warehouse under the provisions of the Customs Act, 1962 (52 of 1962) are sold to any person before clearance for home consumption or export under the said Act, the value of such goods for the purpose of calculating the goods and services tax compensation cess under sub-section (9) shall be,—

(a) where the whole of the goods are sold, the value determined under sub-section (10) or the transaction value of such goods, whichever is higher ; or

(b) where any part of the goods is sold, the proportionate value of such goods as determined under sub-section (10) or the transaction value of such goods, whichever is higher :

Provided that where the whole of the warehoused goods or any part thereof are sold more than once before such clearance for home consumption or export, the transaction value of the last of such transaction shall be the transaction value for the purposes of clause (a) or clause (b) :

Provided further that in respect of warehoused goods which remain unsold, the value or the proportionate value, as the case may be, of such goods shall be determined in accordance with the provisions of sub-section (10).

Explanation.—For the purposes of this sub-section, the expression “transaction value”, in relation to warehoused goods, means the amount paid or payable as consideration for the sale of such goods.’.

103. Amendment of First Schedule.—In the Customs Tariff Act, the First Schedule,—

(a) shall be amended in the manner specified in the Second Schedule ;

(b) shall also be amended in the manner specified in the Third Schedule.

104. Amendment of Second Schedule.—In the Customs Tariff Act,—

- (a) in the Second Schedule, after Note 3, the following Note shall be inserted, namely :—
 “4. In respect of all other goods which are not covered under column (2) of this Schedule, the rate of duty shall be ‘Nil’.” ;
 (b) the Second Schedule shall be amended in the manner specified in the Fourth Schedule.

Service tax

105. *Special provision for exemption from service tax in certain cases relating to life insurance services provided by Naval Group Insurance Fund to personnel of Coast Guard, retrospectively.*—(1) Notwithstanding anything contained in section 66, as it stood prior to the 1st day of July, 2012, or in section 66B, as it stood prior to the 1st day of July, 2017, of Chapter V of the Finance Act, 1994 (32 of 1994), as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Chapter), no service tax shall be levied or collected in respect of taxable services provided or agreed to be provided by the Naval Group Insurance Fund by way of life insurance to personnel of Coast Guard under the Group Insurance Schemes of the Central Government, during the period commencing from the 10th day of September, 2004 and ending with the 30th day of June, 2017 (both days inclusive).

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times :

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives the assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

106. *Special provision for exemption from service tax in certain cases relating to services provided or agreed to be provided by Goods and Service Tax Network, retrospectively.*—(1) Notwithstanding anything contained in section 66B of Chapter V of the Finance Act, 1994 (32 of 1994), as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Chapter), no service tax shall be levied or collected in respect of taxable services provided or agreed to be provided by the Goods and Services Tax Network to the Central Government or the State Government or the Union Territory Administration, during the period commencing from the 28th day of March, 2013 and ending with the 30th day of June, 2017 (both days inclusive).

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times :

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives the assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

107. *Special provision for retrospective exemption from service tax on Government's share of profit petroleum.*—(1) Notwithstanding anything contained in section 66B of Chapter V of the Finance Act, 1994 (32 of 1994), as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Chapter), no service tax, leviable on the consideration paid to the Government in the form of Government's share of profit petroleum, as defined in the contract entered into by the Government in this behalf, shall be levied or collected in respect of taxable services provided or agreed to be provided by the Government by way of grant of license or lease to explore or mine petroleum crude or natural gas or both, during the period commencing from the 1st day of April, 2016 and ending with the 30th day of June, 2017 (both days inclusive).

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times :

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives the assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

CHAPTER V

REPEAL AND SAVINGS OF CERTAIN ENACTMENTS

108. Repeal and savings of certain enactments.—(1) The enactments specified in the third column of the Fifth Schedule are hereby repealed to the extent specified in the fourth column thereof.

(2) Notwithstanding the repeal under sub-section (1), such repeal shall not—

(a) affect any other law in which the repealed enactment has been applied, incorporated or referred to ;

(b) affect the validity, invalidity, effect or consequences of anything already done or suffered or any right, title, obligation or liability already acquired, accrued or incurred or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing under the repealed enactment ;

(c) affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed or recognised or derived by, in or from any enactment hereby repealed ;

(d) revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

(3) The mention of particular matters in sub-section (1) shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897 (10 of 1897), with regard to the effect of repeals.

109. Collection and payment of arrears of duties.—Notwithstanding the repeal of the enactments specified in the Fifth Schedule, the proceeds of duties levied under the said enactments immediately preceding the date on which the Finance Bill, 2018 receives the assent of the President, shall,—

(i) if collected by the collecting agencies but not paid into the Reserve Bank of India ; or

(ii) if not collected by the collecting agencies,

be paid, or collected and paid, as the case may be, into the Reserve Bank of India for being credited to the Consolidated Fund of India.

CHAPTER VI

SOCIAL WELFARE SURCHARGE

110. Social Welfare Surcharge on imported goods.—(1) There shall be levied and collected, in accordance with the provisions of this Chapter, for the purposes of the Union, a duty of Customs, to be called a Social Welfare Surcharge, on the goods specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), being the goods imported into India, to fulfil the commitment of the Government to provide and finance education, health and social security.

(2) The Central Government may, after due appropriation made by Parliament by law in this behalf, utilise such sums of money of the Social Welfare Surcharge levied under this Chapter for the purposes specified in sub-section (1), as it may consider necessary.

(3) The Social Welfare Surcharge levied under sub-section (1), shall be calculated at the rate of ten per cent. on the aggregate of duties, taxes and cesses which are levied and collected by the Central Government in the Ministry of Finance (Department of Revenue) under section 12 of the Customs Act, 1962 (52 of 1962) and any sum chargeable on the goods specified in sub-section (1) under any other law for the time being in force, as an addition to, and in the same manner as, a duty of customs, but not including—

(a) the safeguard duty referred to in sections 8B and 8C of the Customs Tariff Act ;

(b) the countervailing duty referred to in section 9 of the Customs Tariff Act ;

(c) the anti-dumping duty referred to in section 9A of the Customs Tariff Act ;

(d) the Social Welfare Surcharge on imported goods levied under sub-section (1).

(4) The Social Welfare Surcharge on imported goods shall be in addition to any other duties of customs or tax or cess chargeable on such goods, under the Customs Act, 1962 (52 of 1962) or any other law for the time being in force.

(5) The provisions of the Customs Act, 1962 (52 of 1962) and the rules and regulations made thereunder, including those relating to assessment, non-levy, short-levy, refunds, exemptions, interest, appeals, offences and penalties shall, as far as may be, apply in relation to the levy and collection of the Social Welfare Surcharge on imported goods as they apply in relation to the levy and collection of duties of customs on such goods under the Customs Act, 1962 or the rules or the regulations, as the case may be.

CHAPTER VII

ROAD AND INFRASTRUCTURE CESS

111. Road and Infrastructure Cess on imported goods.—(1) There shall be levied and collected, in accordance with the provisions of this Chapter, for the purposes of the Union, an additional duty of customs, to be called the Road and Infrastructure Cess, on the goods specified in the Sixth Schedule (hereinafter referred to as scheduled goods), being the goods imported into India at the rates specified in the said Schedule for the purpose of financing infrastructure projects.

(2) The additional duty of the customs referred to in sub-section (1) shall be in addition to any other duties of customs chargeable on scheduled goods under the Customs Act, 1962 (52 of 1962) or any other law for the time being in force.

(3) The provisions of the Customs Act, 1962 (52 of 1962) and the rules and regulations made thereunder, including those relating to assessment, non-levy, short-levy, refunds, exemptions, interest, appeals, offences and penalties shall, as far as may be, apply in relation to the levy and collection of the additional duty of customs leviable under this section in respect of scheduled goods as they apply in relation to the levy and collection of the duties of customs on scheduled goods under the said Act or the rules and regulations, as the case may be.

112. Road and Infrastructure Cess on excisable goods.—(1) There shall be levied and collected, in accordance with the provisions of this Chapter, for the purposes of the Union, an additional duty of excise, to be called the Road and Infrastructure Cess, on the goods specified in the Sixth Schedule (hereinafter referred to as scheduled goods), being the goods manufactured or produced, at the rates specified in the said Schedule for the purpose of financing infrastructure projects.

(2) The cess leviable under sub-section (1), chargeable on the scheduled goods shall be in addition to any other duties of excise chargeable on such goods under the Central Excise Act, 1944 (1 of 1944) or any other law for the time being in force.

(3) The provisions of the Central Excise Act, 1944 (1 of 1944) and the rules made thereunder, including those relating to assessment, non-levy, short-levy, refunds, exemptions, interest, appeals, offences and penalties shall, as far as may be, apply in relation to the levy and collection of the cess leviable under this section in respect of scheduled goods as they apply in relation to the levy and collection of the duties of excise on scheduled goods under the said Act or the rules, as the case may be.

CHAPTER VIII

MISCELLANEOUS

PART I

AMENDMENTS TO THE GOVERNMENT SAVINGS BANKS ACT, 1873

113. Commencement of this Part.—The provisions of this Part shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint.

114. Substitution of long title to Act 5 of 1873.—In the Government Savings Banks Act, 1873 (hereafter in this Part referred to as the principal Act), for the long title, the following shall be substituted, namely :—

“An Act to regulate and channelise the savings from general public into Government Savings Schemes.”.

115. Amendment of short title.—In the principal Act, in section 1, in the short title, for the word “Banks”, the word “Promotion” shall be substituted.

116. Substitution of words “Authorised Officer” for the word “Secretary” throughout Act.—In the principal Act, for the word “Secretary”, wherever it occurs, the words “Authorised Officer” shall be substituted.

117. Omission of section 2.—Section 2 of the principal Act shall be omitted.

118. Substitution of new sections 3, 3A and 3B for section 3.—For section 3 of the principal Act, the following sections shall be substituted, namely :—

‘3. Definitions.—In this Act, unless the context otherwise requires,—

(a) “account” means an account opened under any of the Savings Schemes ;

(b) “administrator” means an administrator as defined in clause (a) of section 2 of the Indian Succession Act, 1925 (39 of 1925) ;

(c) “Authorised Officer” means—

(i) in the case of a Post Office Savings Bank, an officer authorised by the Director General Posts ; and

(ii) in the case of State Bank of India or a banking company or any other company or institution, an officer so authorised by State Bank of India or that banking company or that other company or that institution, as the case may be ;

(d) “banking company” means a banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 (10 of 1949) ;

(e) “depositor” means an individual by whom, or on whose behalf money has been deposited in a Government Savings Bank and “deposit” means the money so deposited ;

(f) “executor” means an executor as defined in clause (c) of section 2 of the Indian Succession Act, 1925 (39 of 1925) ;

(g) “Government Savings Bank” means—

(i) a Post Office Savings Bank ; or

(ii) State Bank of India or a banking company, or any other company or institution, as the Central Government may, by notification in the *Official Gazette*, specify for the purposes of this Act ;

(h) “guardian”, in relation to a minor or a person of unsound mind means—

(i) either of the parents ;

(ii) where neither parent is alive or where neither or the only living parent is incapable of acting as such, a person entitled under the law for the time being in force to have the care of the property of a minor or a person of unsound mind, as the case may be ;

(iii) legal guardian appointed by a court ;

(i) “minor” means a person who has not attained the age of majority under the Indian Majority Act, 1875 (9 of 1875) ;

(j) “prescribed” means prescribed by rules made under this Act ;

(k) “Savings Schemes” means the Government Savings Schemes, including Savings Certificates and Public Provident Fund Scheme, listed in the Schedule ;

(l) “Schedule” means the Schedule annexed to this Act.

3A. Framing of Savings Schemes.—(1) The Central Government may, by notification in the *Official Gazette*, frame new Savings Schemes or amend or discontinue existing Savings Schemes to promote household savings in the country.

(2) The Central Government may, by notification in the *Official Gazette*, include or omit or amend Savings Schemes in the Schedule.

(3) The notification referred to in sub-section (1) may include any or all of the following provisions, depending on the design of such Scheme, namely :—

- (a) the persons who shall be eligible to make deposit in a Savings Scheme ;
- (b) the terms and conditions subject to which deposit may be made ;
- (c) the manner of calculation, frequency of payment and rate of interest payable on the deposit ;
- (d) the maximum and minimum limits of deposit ;
- (e) premature closure, withdrawal of deposit, grant of loans against deposit and transfer of deposit ;
- (f) any other provision depending on the purpose and design of the Savings Scheme.

3B. Deposit by minor.—(1) A minor who has attained the age of ten years may open and operate an account in the Government Savings Bank, if so permitted under a Savings Scheme.

(2) Subject to the provisions of sub-section (1), the guardian of a minor may open and operate an account on behalf of the minor, till he becomes a major.’

119. Amendment of section 4.—In section 4 of the principal Act,—

(a) for sub-section (1), the following sub-section shall be substituted, namely :—

“(1) The depositors shall designate one or more individuals, as nominee or nominees, who shall be entitled, in the event of the death of the depositor of a single account, or all the depositors of a joint account, as the case may be, to receive the sum due, as an owner or a trustee, and to the extent, as may be specified by the depositor at the time of making nomination :

Provided that if the depositor is a minor or a person of unsound mind, the nominee shall be designated by the guardian.” ;

(b) after sub-section (3), the following sub-section shall be inserted, namely :—

“(4) The transfer of deposit, if permitted under a Savings Scheme, shall automatically cancel a nomination previously made.”.

120. Amendment of section 4A.—In section 4A of the principal Act,—

(a) after sub-section (3), the following sub-section shall be inserted, namely :—

“(3A) Where the deposit belongs to a minor or to a person of unsound mind who dies and there is no nominee immediately before the date of commencement of Part I of Chapter VIII of the Finance Act, 2018, the deposit shall be paid to the guardian.” ;

(b) in sub-section (4),—

(i) in clause (a), for the words “deceased ; and”, the words “deceased in accordance with such procedure as may be prescribed.” shall be substituted ;

(ii) clause (b) shall be omitted ;

(c) sub-section (5) shall be omitted.

121. Amendment of section 5.—In section 5 of the principal Act,—

(i) for the words “But nothing”, the word “Nothing” shall be substituted ;

(ii) for the words “And any creditor”, the words “Every creditor” shall be substituted ;

(iii) for the words “if the latter had obtained”, the words “if that person had obtained” shall be substituted.

122. Amendment of section 6.—In section 6 of the principal Act, for the words, brackets, figures and letter “any such Bank or any officer empowered under sub-section (4) of section 4A”, the words “a Government Savings Bank” shall be substituted.

123. Amendment of section 7.—In section 7 of the principal Act, for the words, brackets, figures and letter “any such Bank or any officer empowered under sub-section (4) of section 4A”, the words “a Government Savings Bank” shall be substituted.

124. Insertion of new section 7A.—After section 7 of the principal Act, the following section shall be inserted, namely :—

“7A. Power of call for information.—The Central Government through any designated authority, may call for such information, documents and evidence as it may deem necessary, in relation to any account, for carrying out the purposes of this Act.”.

125. Amendment of section 8.—In section 8 of the principal Act, for the words “three thousand rupees”, the words “the prescribed limit” shall be substituted.

126. Amendment of section 10.—In section 10 of the principal Act,—

(i) for the words “or on behalf of, any minor”, the words “or on behalf of, a minor” shall be substituted ;

(ii) for the words “for his use”, the words “for the use of such minor” shall be substituted ;

(iii) for the words “receipt of any minor”, the words “receipt of the minor” shall be substituted.

127. Amendment of section 12.—In section 12 of the principal Act,—

(i) for the word “Bank”, the words “Government Savings Bank” shall be substituted ;

(ii) for the words “any proper person”, the word “guardian” shall be substituted ;

(iii) for the words “such person”, the words “such guardian” shall be substituted ;

(iv) for the words “nothing in this section authorises payments to any person other than”, the words “payments shall be made to” shall be substituted.

128. Insertion of new section 12A.—After section 12 of the principal Act, the following section shall be inserted, namely :—

“12A. Operation of account by differently abled persons.—Any depositor who suffers from physical infirmity, including blindness may operate and make a deposit through any literate individual whom he authorises.”.

129. Omission of heading.—After section 12A of the principal Act as so inserted, the heading shall be omitted.

130. Omission of section 13.—Section 13 of the principal Act shall be omitted.

131. Amendment of section 14.—In section 14 of the principal Act, for the word “Government”, the words “Central Government” shall be substituted.

132. Insertion of new section 14A.—After section 14 of the principal Act, the following section shall be inserted, namely :—

“14A. Protection against attachment.—The amount standing to the credit of any depositor in the Public Provident Fund Scheme shall not be liable to attachment under any decree or order of any court in respect of any debt or liability incurred by the depositor.”.

133. Amendment of section 15.—In section 15 of the principal Act, in sub-section (2),—

(i) clause (a) shall be omitted ;

(ii) for clause (b), the following clause shall be substituted, namely :—

“ (b) the conditions as to interest or discount relating to deposits generally, or any class of deposits in particular ;” ; (iii) for clause (g), the following clause shall be substituted, namely :—

“(g) the fees that may be levied for discharge of any services under this Act ;” ; (iv) for clause (i), the following clauses shall be substituted, namely :—

“(i) the limit and procedure under clause (a) of sub-section (4) of section 4A ;

(j) the mode of making deposits, such as physical, electronic or through use of any other tools of communication and information technology ;

(k) benchmark for interest rates on deposits with a view to ensure financial sustainability of Savings Schemes ;

(l) amount to be excluded in computing the court fee chargeable under the Court-fees Act, 1870 (7 of 1870) for the purpose of section 8 of the Act ;

(m) mechanism for redressal of grievances and settlement of disputes ; (n) any other matter which is required to be or may be, prescribed.”.

134. Insertion of new section and Schedule.—After section 15 of the principal Act, the following shall be inserted, namely :—

“16. Repeal and savings.—(1) The Government Savings Certificates Act, 1959 (46 of 1959.) and the Public Provident Fund Act, 1968 (23 of 1968.) are hereby repealed.

(2) Notwithstanding such repeal and without prejudice to the provisions contained in the General Clauses Act, 1897 (10 of 1897), with respect to repeals—

(a) anything done or any action taken or purported to have been done or taken, including any rule, notification, order or notice made or issued or any direction given under the repealed enactments shall be deemed to have been done or taken under the corresponding provisions of this Act ;

(b) subject to the provisions of clause (a), any instrument executed or certificate issued, or anything done under or in pursuance of any repealed enactment shall, if is in force at the commencement of Part I of Chapter VIII of the Finance Act, 2018, continue to be in force in so far as it could have been executed, or issued or done under or in pursuance of such Part, shall have effect as if the same has been executed, issued or done under or in pursuance of the provisions contained in the aforesaid Part ;

(c) all deposits made or accounts or certificates held under the repealed enactments shall be deemed to be deposits or holdings in the Savings Scheme made under the corresponding provisions of this Act ; and

(d) any proceeding under the repealed enactments pending immediately before the commencement of Part I of Chapter VIII of the Finance Act, 2018 before any court shall, subject to the provisions of this Act, continue to be heard and disposed of by the said court.

(3) The repeal shall not prejudicially affect the interest of depositors who, before the commencement of Part I of Chapter VIII of the Finance Act, 2018, made deposits or were issued certificates or made contribution to any scheme under the repealed enactments.

THE SCHEDULE

[See section 3A]

This Act applies to the following Government Savings Schemes :

PART A

EXISTING SAVINGS SCHEMES

1. Post Office Savings Account
2. National Savings Monthly Income (Account)
3. National Savings Recurring Deposit
4. Sukanya Samridhhi Account
5. National Savings Time Deposit (1 year, 2 years, 3 years and 5 years)
6. Senior Citizens' Savings Scheme
7. Savings Certificates :—
 - (a) Kisan Vikas Patra (discontinued from 1st December, 2011 and restarted from 23rd September, 2014) ;
 - (b) National Savings Certificates (VIII Issue).
8. Public Provident Fund Scheme

PART B

DISCONTINUED SAVINGS SCHEMES

1. National Savings Scheme, 1987
2. National Savings Scheme, 1992
3. Block Deposit Account
4. Defence Savings Account

5. Gift Coupons
6. Cumulative Time Deposit Accounts :—
 - (a) 5-year account
 - (b) 10-year account
 - (c) 15-year account
7. 5-year Prize Bonds
8. 5-year Premium Prize Bonds
9. 5-year Compulsory Deposit Account Scheme, 1963
10. 5-year Fixed Deposit Account
11. 5-Year Cash Certificates
12. 10-Year Defence Savings Certificates
13. 12-Year National Savings Certificates
14. 7-Year National Savings Certificates
15. 5-Year National Savings Certificates
16. 10-Year Treasury Savings Deposits Certificates
17. 15-Year Annuity Certificates (I series)
18. 10-Year National Plan Savings Certificates
19. 10-Year Treasury Savings Deposits Certificates
20. 12-Year National Plan Savings Certificates
21. 15-Year Annuity Certificates (II series)
22. 10-Year Defence Deposit Certificates
23. 12-Year National Defence Certificates
24. 10-Year National Savings Certificates (I-Issue)
25. 7-Year National Savings Certificates (II-Issue)
26. 7-Year National Savings Certificates (III-Issue)
27. 7-Year National Savings Certificates (IV-Issue)
28. 7-Year National Savings Certificates (V-Issue)
29. 12-Year National Savings Annuity Certificates
30. 5-Year National Development Bonds
31. 6-Year National Savings Certificates (VI-Issue)
32. 6-Year National Savings Certificates (VII-Issue)
33. 10-Year Social Security Certificates
34. Indira Vikas Patras
35. 10-Year National Savings Certificates (IX-Issue).”.

PART II

AMENDMENT TO THE RESERVE BANK OF INDIA ACT, 1934

135. Amendment of section 17 of Act 2 of 1934.—In the Reserve Bank of India Act, 1934, in section 17, after clause (1), the following clause shall be inserted, namely :—

“(1A) The accepting of money as deposits, repayable with interest, from banks or any other person under the Standing Deposit Facility Scheme, as approved by the Central Board, from time to time, for the purposes of liquidity management ;”.

PART III

AMENDMENTS TO THE PRESIDENT'S EMOLUMENTS AND PENSION ACT, 1951

136. Commencement of this Part.—Save as otherwise provided, the provisions of this Part shall come into force on the 1st day of April, 2018.

137. Amendment of section 1A.—In section 1A of the President's Emoluments and Pension Act, 1951 (30 of 1951) (hereafter referred to as the principal Act in this Part), for the words "one lakh fifty thousand rupees", the words "five lakh rupees" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of January, 2016.

138. Amendment of section 2.—In section 2 of the principal Act, in sub-section (2), in clause (b), for the words "sixty thousand rupees", the words "one lakh rupees" shall be substituted.

139. Amendment of section 3A.—In section 3A of the principal Act, in clause (b), in sub-clause (ii), for the words "twelve thousand rupees", the words "twenty thousand rupees" shall be substituted.

PART IV

AMENDMENT TO THE SALARIES AND ALLOWANCES OF OFFICERS OF PARLIAMENT ACT, 1953

140. Amendment of section 3 of Act 20 of 1953.—In the Salaries and Allowances of Officers of Parliament Act, 1953, in section 3, in sub-section (1), for the words "one lakh twenty-five thousand rupees", the words "four lakh rupees" shall be substituted and shall be deemed to have been substituted with effect from 1st January, 2016.

PART V

AMENDMENTS TO THE SALARY, ALLOWANCES AND PENSION OF MEMBERS OF PARLIAMENT ACT, 1954

141. Commencement of this Part.—Save as otherwise provided, the provisions of this Part shall come into force from the 1st day of April, 2018.

142. Amendment of section 3.—In the Salary, Allowances and Pension of Members of Parliament Act, 1954 (30 of 1954) (hereafter referred to as the principal Act in this Part), section 3 shall be numbered as sub-section (1) thereof,—

(i) in sub-section (1) as so renumbered, for the words "fifty thousand rupees", the words "one lakh rupees" shall be substituted ;

(ii) after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely :—

"(2) The salary and daily allowance of members shall be increased after every five years commencing from 1st April, 2023 on the basis of Cost Inflation Index provided under clause (v) of *Explanation* to section 48 of the Income-tax Act, 1961 (43 of 1961).".

143. Amendment of section 4.—In the principal Act, in section 4, in sub-section (1),—

(i) clause (a) shall be omitted ;

(ii) in clause (b), the words "and one-fourth of the" shall be omitted ;

(iii) in clause (c), in sub-clause (i), the words "and three-fifth of the" shall be omitted.

144. Amendment of section 8A.—In the principal Act, in section 8A, in sub-section (1),—

(a) for the words "twenty thousand rupees", the words "twenty-five thousand rupees" shall be substituted ;

(b) in the proviso, for the words "fifteen hundred rupees", the words "two thousand rupees" shall be substituted ;

(c) after the proviso, the following sub-section shall be inserted, namely :—

"(1A) The pension and additional pension to every person shall be increased after every five years commencing from 1st April, 2023 on the basis of Cost Inflation Index provided under clause (v) of *Explanation* to section 48 of the Income-tax Act, 1961 (43 of 1961).".

145. Amendment of section 8AC.—In the principal Act, in section 8AC, in sub-section (2), the words, brackets and figures “before the commencement of the Salary, Allowances and Pension of Members of Parliament (Amendment) Act, 2006” shall be omitted and shall be deemed to have been omitted with effect from the 15th day of September, 2006 (40 of 2006).

PART VI

AMENDMENTS TO THE SECURITIES CONTRACTS (REGULATION) ACT, 1956

146. Commencement of this Part.—The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

147. Amendment of section 12A.—In the Securities Contracts (Regulation) Act, 1956 (42 of 1956) (hereafter in this Part referred to as the principal Act), section 12A shall be numbered as sub-section (1) thereof and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely :—

“(2) Without prejudice to the provisions of sub-section (1) and section 23-I, the Securities and Exchange Board of India may, by an order, for reasons to be recorded in writing, levy penalty under sections 23A, 23B, 23C, 23D, 23E, 23F, 23G, 23GA and 23H after holding an inquiry in the prescribed manner.”.

148. Amendment of section 23.—In section 23 of the principal Act, in sub-section (1), in the long line, after the words “Adjudicating officer”, the words “or the Securities and Exchange Board of India” shall be inserted.

149. Amendment of section 23A.—In section 23A of the principal Act, in sub-clause (a), after the words “bye-laws of the recognised stock exchange”, the words “or who furnishes false, incorrect or incomplete information, document, books, return or report” shall be inserted.

150. Amendment of section 23E.—In section 23E of the principal Act, after the words “mutual fund”, the words “or real estate investment trust or infrastructure investment trust or alternative investment fund”, shall be inserted.

151. Amendment of section 23G.—In section 23G of the principal Act, after the words “periodical returns”, the words “or furnishes false, incorrect or incomplete periodical returns” shall be inserted.

152. Insertion of new section 23GA.—After section 23G of the principal Act, the following section shall be inserted, namely :—

“23GA. Penalty for failure to conduct business in accordance with rules, etc.—Where a stock exchange or a clearing corporation fails to conduct its business with its members or any issuer or its agent or any person associated with the securities markets in accordance with the rules or regulations made by the Securities and Exchange Board of India and the directions issued by it under this Act, the stock exchange or the clearing corporations, as the case may be, shall be liable to penalty which shall not be less than five crore rupees but which may extend to twenty-five crore rupees or three times the amount of gains made out of such failure, whichever is higher.”.

153. Amendment of section 23-I.—In section 23-I of the principal Act, in sub-section (1), for the word “shall”, the word “may” shall be substituted.

154. Amendment of section 23J.—In section 23J of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely :—

“Factors to be taken into account while adjudging quantum of penalty.” ;

(ii) for the word, figures and letter “section 23-I” the words, figures and letters “section 12A or section 23-I” shall be substituted.

(iii) for the words “the adjudicating officer”, the words “the Securities and Exchange Board of India or the adjudicating officer” shall be substituted.

155. Amendment of section 23JA.—In section 23JA of the principal Act, after sub-section (4), the following sub-section shall be inserted, namely :—

“(5) All settlement amounts, excluding the disgorgement amount and legal costs, realised under this Act shall be credited to the Consolidated Fund of India.”.

156. Amendment of section 23JB.—In section 23JB of the principal Act, in sub-section (1), for the words “by the adjudicating officer”, the words “under this Act” shall be substituted.

157. Insertion of new section 23JC.—After section 23JB of the principal Act, the following section shall be inserted, namely :—

‘23JC. Continuance of proceedings.—(1) Where a person dies, his legal representative shall be liable to pay any sum which the deceased would have been liable to pay, if he had not died, in the like manner and to the same extent as the deceased :

Provided that, in case of any penalty payable under this Act, a legal representative shall be liable only in case the penalty has been imposed before the death of the deceased person.

(2) For the purposes of sub-section (1),—

(a) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, initiated against the deceased before his death shall be deemed to have been initiated against the legal representative, and may be continued against the legal representative from the stage at which it stood on the date of the death of the deceased and all the provisions of this Act shall apply accordingly ;

(b) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, which could have been initiated against the deceased if he had survived, may be initiated against the legal representative and all the provisions of this Act shall apply accordingly.

(3) Every legal representative shall be personally liable for any sum payable by him in his capacity as legal representative if, while his liability for such sum remains undischarged, he creates a charge on or disposes of or parts with any assets of the estate of the deceased, which are in, or may come into, his possession, but such liability shall be limited to the value of the asset so charged, disposed of or parted with.

(4) The liability of a legal representative under this section shall, be limited to the extent to which the estate of the deceased is capable of meeting the liability.

Explanation.—For the purposes of this section “Legal representative” means a person who in law represents the estate of a deceased person, and includes any person who intermeddles with the estate of the deceased and where a party sues or is sued in a representative character, the person on whom the estate devolves on the death of the party so suing or sued.’.

158. Amendment of section 23M.—In section 23M of the principal Act,—

(i) after the words “adjudicating officer” at both the places where they occur, the words “or the Securities and Exchange Board of India” shall be inserted ;

(ii) in sub-section (2), for the words, “any of his direction or orders” the words “the direction or order” shall be substituted.

159. Amendment of section 24.—In section 24 of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted :—

“Contravention by companies ;” ;

(ii) in sub-section (1), for the words “an offence”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted ;

(iii) in sub-section (2), for the words “an offence under this Act”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted ;

(iv) for the word “offence”, wherever it occurs, the word “contravention” shall be substituted.

PART VII

AMENDMENT TO THE CENTRAL BOARDS OF REVENUE ACT, 1963

160. Amendment of Act 54 of 1963.—In the Central Boards of Revenue Act, 1963, with effect from the date on which the Finance Bill, 2018 receives the assent of the President,—

(a) “the Central Board of Excise and Customs” shall be renamed as “the Central Board of Indirect Taxes and Customs” ;

(b) throughout the Act, for the words “Excise and Customs”, wherever they occur, the words “Indirect Taxes and Customs” shall be substituted, and such other consequential amendments as the rules of grammar may require shall also be made.

PART VIII

AMENDMENT TO THE GOVERNORS (EMOLUMENTS, ALLOWANCES AND PRIVILEGES) ACT, 1982

161. Amendment of section 3 of Act 43 of 1982.—In section 3 of the Governors (Emoluments, Allowances and Privileges) Act, 1982, for the words “one lakh ten thousand” the words “three lakh fifty thousand” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of January, 2016.

PART IX

AMENDMENTS TO THE NATIONAL HOUSING BANK ACT, 1987

162. Commencement of this Part.—The provisions of this Part shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint.

163. Amendment of section 3.—In the National Housing Bank Act, 1987 (53 of 1987) (hereafter in this Part referred to as the principal Act), in section 3,—

(a) in sub-section (3), for the words “Bombay or at such other place as the Reserve Bank”, the words “New Delhi or at such other place as the Central Government” shall be substituted ;

(b) in sub-section (4), for the words “the Reserve Bank”, the words “the Central Government” shall be substituted.

164. Amendment of section 4.—In section 4 of the principal Act,—

(a) in sub-section (1), for the proviso, the following proviso shall be substituted, namely :—

“Provided that the Central Government may, by notification, increase the authorised capital up to two thousand crore rupees or such other amount as may be determined by it from time to time.” ;

(b) in sub-section (2), the words “the Reserve Bank,” occurring at both the places shall be omitted ;

(c) after sub-section (2), the following sub-section shall be inserted, namely :—

“(3) The subscribed capital of one thousand four hundred and fifty crore rupees of the National Housing Bank, which has been subscribed to by the Reserve Bank, shall stand transferred to, and vested in the Central Government upon payment of the face value of the subscribed capital, to the Reserve Bank from such date as may be notified by the Central Government.”.

165. Amendment of section 5.—In section 5 of the principal Act, in sub-section (5), the words, “in consultation with the Reserve Bank, or the Reserve Bank,” shall be omitted.

166. Amendment of section 6.—In section 6 of the principal Act,—

(a) in sub-section (1),—

(i) in clause (ca), the words “the Reserve Bank,” shall be omitted ;

(ii) in clause (d), for the words “two directors”, the words “one director” shall be substituted ;

(b) in sub-section (2), for the words “in consultation with the Reserve Bank and directors”, the words “the director” shall be substituted.

167. Amendment of section 7.—In section 7 of the principal Act, in sub-sections (1), (3) and (4), the words “, in consultation with the Reserve Bank,” shall be omitted.

168. Amendment of section 16.—In section 16 of the principal Act, in sub-section (1), for the words and figures “the Foreign Exchange Regulation Act, 1973 (46 of 1973)”, the words and figures “the Foreign Exchange Management Act, 1999 (42 of 1999)” shall be substituted.

169. Amendment of section 29A.—In section 29A of the principal Act, in the *Explanation*, in clause (II), for the words and figures “Companies Act, 1956 (1 of 1956)”, the words and figures “Companies Act, 2013 (18 of 2013)” shall be substituted.

170. Amendment of section 33.—In section 33 of the principal Act, in sub-section (2), for the words, brackets and figures “sub-section (2) of section 227 of the Companies Act, 1956 (1 of 1956)”, the words, brackets and figures “sub-section (2) of section 143 of the Companies Act, 2013 (18 of 2013)” shall be substituted.

171. Amendment of section 33B.—In section 33B of the principal Act, in sub-sections (1) and (4), for the words and figures “Companies Act, 1956 (1 of 1956)”, the words and figures “Companies Act, 2013 (18 of 2013)” shall be substituted.

172. Amendment of section 37.—In section 37 of the principal Act, in sub-sections (1) and (2), for the words “the Reserve Bank” at both the places where they occur, the words “the Central Government” shall be substituted.

173. Amendment of section 39.—In section 39 of the principal Act, in clause (ii), for the words “the Reserve Bank”, the words “the Central Government” shall be substituted.

174. Amendment of section 40.—In section 40 of the principal Act, in sub-section (1), for the words, brackets and figures “sub-section (1) of section 226 of the Companies Act, 1956 (1 of 1956)”, the words, brackets and figures “sub-section (1) of section 141 of the Companies Act, 2013 (18 of 2013)” shall be substituted.

175. Amendment of section 43.—In section 43 of the principal Act, in sub-section (5), the words, figures and letters, “ without prejudice to the provisions of section 54AA of the Reserve Bank of India Act, 1934 (2 of 1934),” shall be omitted.

176. Amendment of section 45A.—In section 45A of the principal Act, in sub-section (1), for the words and figures “Companies Act, 1956 (1 of 1956)”, the words and figures “Companies Act, 2013 (18 of 2013)” shall be substituted.

177. Amendment of section 55.—In section 55 of the principal Act,—

- (i) in sub-section (1), the words “the Reserve Bank and in consultation with” shall be omitted ;
- (ii) in sub-section (3), the words “by the Reserve Bank,” shall be omitted.

PART X

AMENDMENTS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT , 1992

178. Commencement of this Part.—The provisions of this Part shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint.

179. Amendment of section 11.—In the Securities And Exchange Board of India Act, 1992 (15 of 1992) (hereafter in this Part referred to as the principal Act), in section 11,—

- (i) after sub-section (4), the following sub-section shall be inserted, namely :—

“(4A) Without prejudice to the provisions contained in sub-sections (1), (2), (2A), (3) and (4), section 11B and section 15-I, the Board may, by an order, for reasons to be recorded in writing, levy penalty under sections 15A, 15B, 15C, 15D, 15E, 15EA, 15EB, 15F, 15G, 15H, 15HA and 15HB after holding an inquiry in the prescribed manner.” ;

(ii) in sub-section (5), after the words and figures "the Depositories Act, 1996 (22 of 1996)", the words, figures, letters and brackets shall be inserted, namely :—

"or under a settlement made under section 15JB or section 23JA of the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or section 19-IA of the Depositories Act, 1996 (22 of 1996),".

180. Amendment of section 11B.—In section 11B, of the principal Act,—

(a) in the marginal heading, after the word "directions", the words "and levy penalty" shall be inserted ;

(b) section 11B shall be numbered as sub-section (1) thereof and after sub- section (1) as so renumbered, the following sub-section shall be inserted, namely :—

"(2) Without prejudice to the provisions contained in sub-section (1), sub-section (4A) of section 11 and section 15-I, the Board may, by an order, for reasons to be recorded in writing, levy penalty under sections 15A, 15B, 15C, 15D, 15E, 15EA, 15EB, 15F, 15G, 15H, 15HA and 15HB after holding an inquiry in the prescribed manner."

181. Amendment of section 15A.—In the principal Act, in section 15A,—

(i) in clause (a), after the words "fails to furnish the same", the words "or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents" shall be inserted ;

(ii) in clause (b), after the words "furnish the same within the time specified therefor in the regulations", the words "or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents" shall be inserted.

182. Insertion of new sections 15EA and 15EB.—In the principal Act, after section 15E, the following sections shall be inserted, namely :—

"15EA. *Penalty for default in case of alternative investment funds, infrastructure investment trusts and real estate investment trusts.*—Where any person fails to comply with the regulations made by the Board in respect of alternative investment funds, infrastructure investment trusts and real estate investment trusts or fails to comply with the directions issued by the Board, such person shall be liable to penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees or three times the amount of gains made out of such failure, whichever is higher.

15EB. *Penalty for default in case of investment adviser and research analyst.*—Where an investment adviser or a research analyst fails to comply with the regulations made by the Board or directions issued by the Board, such investment adviser or research analyst shall be liable to penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees."

183. Amendment of section 15F.—In the principal Act, in section 15F, in clause (b), for the words "he sponsors or carries on any such collective investment scheme including mutual funds", the words "such failure continues" shall be substituted.

184. Amendment of section 15-I.—In the principal Act, in section 15-I, in sub-section (1),—

(i) after the figures and letter "15E," the figures and letters "15EA, 15EB," shall be inserted ;

(ii) for the word "shall" the word "may" shall be substituted.

185. Amendment of section 15J.—In the principal Act, in section 15J,—

(a) for the marginal heading, the following marginal heading shall be substituted, namely :—

"Factors to be taken into account while adjudging quantum of penalty." ;

(b) after the words, figures and letter "section 15-I, the adjudicating officer", the figures, letters and words "15-I or section 11 or section 11B, the Board or the adjudicating officer" shall be substituted ;

(c) in the *Explanation*, the words "of an adjudicating officer" shall be omitted.

186. Amendment of section 15JB.—In the principal Act, in section 15JB, after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) All settlement amounts, excluding the disgorgement amount and legal costs, realised under this Act shall be credited to the Consolidated Fund of India.”.

187. Amendment of section 24.—In the principal Act, in section 24,—

(i) after the words “adjudicating officer” at both the places where they occur, the words “or the Board” shall be inserted ;

(ii) in sub-section (2), the words “of his” shall be omitted.

188. Amendment of section 27.—In the principal Act, in section 27,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely :—

“Contravention by companies.” ;

(ii) in sub-section (1), for the words “an offence under this Act,”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted ;

(iii) for the word “offence”, wherever it occurs, the word “contravention” shall be substituted.

189. Amendment of section 28A.—In the principal Act, in section 28A, in sub-section (1), for the words “by the adjudicating officer”, the words “under this Act” shall be substituted.

190. Insertion of new section 28B.—In the principal Act, after section 28A, the following section shall be inserted, namely :—

‘28B. Continuance of proceedings.—(1) Where a person dies, his legal representative shall be liable to pay any sum which the deceased would have been liable to pay, if he had not died, in the like manner and to the same extent as the deceased :

Provided that, in case of any penalty payable under this Act, a legal representative shall be liable only in case the penalty has been imposed before the death of the deceased person.

(2) For the purposes of sub-section (1),—

(a) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, initiated against the deceased before his death, shall be deemed to have been initiated against the legal representative, and may be continued against the legal representative from the stage at which it stood on the date of the death of the deceased and all the provisions of this Act shall apply accordingly ;

(b) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, which could have been initiated against the deceased if he had survived, may be initiated against the legal representative and all the provisions of this Act shall apply accordingly.

(3) Every legal representative shall be personally liable for any sum payable by him in his capacity as legal representative if, while his liability for such sum remains undischarged, he creates a charge on or disposes of or parts with any assets of the estate of the deceased, which are in, or may come into, his possession, but such liability shall be limited to the value of the asset so charged, disposed of or parted with.

(4) The liability of a legal representative under this section shall be limited to the extent to which the estate of the deceased is capable of meeting the liability.

Explanation.—For the purposes of this section “legal representative” means a person who in law represents the estate of a deceased person, and includes any person who intermeddles with the estate of the deceased and where a party sues or is sued in a representative character, the person on whom the estate devolves on the death of the party so suing or sued.’.

PART XI

AMENDMENTS TO THE DEPOSITORIES ACT, 1996

191. Commencement of this Part.—The provisions of this Part shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint.

192. Amendment of section 19.—Section 19 of the Depositories Act, 1996 (22 of 1996) (hereafter in this Part referred to as the principal Act) shall be numbered as sub-section (1) thereof and after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely :—

“(2) Without prejudice to the provisions contained in sub-section (1) and section 19H, the Board may, by order, for reasons to be recorded in writing, levy penalty under sections 19A, 19B, 19C, 19D, 19E, 19F, 19FA and 19G after holding an inquiry in the prescribed manner.”.

193. Amendment of section 19A.—In section 19A of the principal Act,—

(i) in clause (a), after the words “specified therefor”, the words “or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents” shall be inserted ;

(ii) in clause (b), after the words “specified therefor, he”, the words “or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents” shall be inserted.

194. Insertion of new section 19FA.—After section 19F of the principal Act, the following section shall be inserted, namely :—

“19FA. Penalty for failure to conduct business in a fair manner.—Where a depository fails to conduct its business with its participants or any issuer or its agent or any person associated with the securities markets in a fair manner in accordance with the rules, regulations made by the Board or directions issued by the Board under this Act, it shall be liable to penalty which shall not be less than five crore rupees but which may extend to twenty-five crore rupees or three times the amount of gains made out of such failure, whichever is higher.”.

195. Amendment of section 19H.—In section 19H of the principal Act, in sub-section (1), for the figures, letters and words “19F and 19G, the Board shall”, the figures, letters and words “19F, 19FA and 19G, the Board may” shall be substituted.

196. Amendment of section 19-I.—In section 19-I of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely :—

“Factors to be taken into account while adjudging quantum of penalty”.

(ii) for the words, figures and letter “section 19H, the adjudicating officer”, the words, figures and letter “section 19 or section 19H, the Board or the adjudicating officer” shall be substituted ;

(iii) in the *Explanation*, the words “of an adjudicating officer” shall be omitted.

197. Amendment of section 19-IA.—In section 19-IA of the principal Act, after sub-section (4), the following sub-section shall be inserted, namely :—

“(5) All settlement amounts, excluding the disgorgement amount and legal costs, realised under this Act shall be credited to the Consolidated Fund of India.”.

198. Amendment of section 19-IB.—In section 19-IB of the principal Act, in sub-section (1), for the words “by the adjudicating officer”, the words “under this Act” shall be substituted.

199. Insertion of new section 19-IC.—After section 19-IB of the principal Act, the following section shall be inserted, namely :—

‘19-IC. Continuance of proceedings.—(1) Where a person dies, his legal representative shall be liable to pay any sum which the deceased would have been liable to pay if he had not died, in the like manner and to the same extent as the deceased :

Provided that, in case of any penalty payable under this Act, a legal representative shall be liable only in case the penalty has been imposed before the death of the deceased person.

(2) For the purposes of sub-section (1),—

(a) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, initiated against the deceased

before his death shall be deemed to have been initiated against the legal representative, and may be continued against the legal representative from the stage at which it stood on the date of the death of the deceased and all the provisions of this Act shall apply accordingly ;

(b) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, which could have been initiated against the deceased if he had survived, may be initiated against the legal representative and all the provisions of this Act shall apply accordingly.

(3) Every legal representative shall be personally liable for any sum payable by him in his capacity as legal representative if, while his liability for such sum remains undischarged, he creates a charge on or disposes of or parts with any assets of the estate of the deceased, which are in, or may come into, his possession, but such liability shall be limited to the value of the asset so charged, disposed of or parted with.

(4) The liability of a legal representative under this section shall be limited to the extent to which the estate of the deceased is capable of meeting the liability.

Explanation.—For the purposes of this section “legal representative” means a person who in law represents the estate of a deceased person, and includes any person who intermeddles with the estate of the deceased and where a party sues or is sued in a representative character, the person on whom the estate devolves on the death of the party so suing or sued.’.

200. Amendment of Chapter V.—In Chapter V of the principal Act, for the heading, the following heading shall be substituted, namely :—

“MISCELLANEOUS”.

201. Amendment of section 20.—In section 20 of the principal Act,—

(i) in sub-section (1), after the words “adjudicating officer”, the words “or the Board” shall be inserted ;

(ii) in sub-section (2), for the words “adjudicating officer or fails to comply with any of his”, the words “adjudicating officer or the Board or fails to comply with any” shall be substituted.

202. Amendment of section 21.—In section 21 of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely :—

“Contravention by companies.” ;

(ii) in sub-section (1),—

(a) for the words “an offence under this Act”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted ;

(b) for the word “offence”, wherever it occurs, the word “contravention” shall be substituted ;

(iii) in sub-section (2),—

(a) for the words “an offence under this Act”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder ” shall be substituted ;

(b) for the word “offence” occurring at both the places, the word “contravention” shall be substituted.

203. Omission of heading.—In the principal Act, the words and letters “CHAPTER VI MISCELLANEOUS” occurring before section 22 shall be omitted.

PART XII

AMENDMENT TO THE VICEPRESIDENT’S PENSION ACT, 1997

204. Amendment of section 2 of Act 30 of 1997.—In section 2 of the Vice-President’s Pension Act, 1997, in sub-section (2), in clause (c), for the words “sixty thousand rupees”, the words “ninety thousand rupees” shall be substituted with effect from the 1st day of April, 2018.

PART XIII

AMENDMENT TO THE CENTRAL ROAD FUND ACT, 2000

205. Commencement of this Part.—The provisions of this Part shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint.

206. Amendment of Act 54 of 2000.—In the Central Road Fund Act, 2000,—

(a) in the long title, for the words and figures “the existing Central Road Fund governed by the Resolution of Parliament passed in 1988 for development and maintenance of National Highways and improvement of safety at railway crossing, and for these purposes levy and collect by way of cess, a duty of excise and a duty of customs on motor spirit commonly known as petrol, high speed diesel oil”, the words “the Central Road and Infrastructure Fund for development and maintenance of National Highways, railway projects, improvement of safety in railways, State and rural roads and other infrastructure, and for these purposes to levy and collect by way of cess, a duty of excise and a duty of customs on motor spirit commonly known as petrol and high speed diesel oil” shall be substituted ;

(b) in section 1, in sub-section (1), for the words “Central Road”, the words “Central Road and Infrastructure” shall be substituted ;

(c) in section 2, —

(i) in clause (c), for the words “Road Fund”, the words “Road and Infrastructure Fund” shall be substituted ;

(ii) clause (e) shall be omitted ;

(d) in Chapter II,—

(i) for the heading, the following heading shall be substituted, namely :—

“CENTRAL ROAD AND INFRASTRUCTURE FUND” ;

(ii) in section 3,—

(A) for the word “Schedule”, wherever it occurs, the word and figure “Schedule I” shall be substituted ;

(B) in sub-section (1), in the long line, the words, brackets and figure “not exceeding the rate set forth in the corresponding entry in column (3) of the Schedule” shall be omitted ;

(C) the first proviso shall be omitted ;

(D) for the second proviso, the following proviso shall be substituted, namely :—

“Provided that the additional duty of customs and the additional duty of excise on motor spirit commonly known as petrol and on high speed diesel oil levied under sub-section (1) of section 109 and sub-section (1) of section 110, as the case may be, of the Finance Act, 2018 shall be deemed to be the cess for the purposes of this Act from the date of its levy and the proceeds thereof shall be credited to the Fund.” ;

(e) in section 6,—

(i) in the marginal heading, for the words “Road Fund”, the words “Road and Infrastructure Fund” shall be substituted ;

(ii) in sub-section (1), for the words “Road Fund”, the words “Road and Infrastructure Fund” shall be substituted ;

(f) section 7 shall be renumbered as sub-section (1) thereof and in sub-section (1) as so renumbered,—

(A) for clauses (iv) and (v), the following clauses shall be substituted, namely :—

‘(iv) construction of roads either under or over the railways by means of bridges and erection of safety works at unmanned rail-road crossings, new lines, conversion of existing standard lines into gauge lines and electrification of rail lines ; and

(v) undertaking other infrastructure projects.

Explanation.— For the purposes of this Act, the expression “infrastructure projects” means the category of projects and infrastructure Sub-Sectors specified in Schedule II.’ ;

(B) after sub-section (1), as so renumbered, the following sub-sections shall be inserted, namely :—

“(2) The Central Government may, depending upon the requirement for development of infrastructure projects, and if it considers necessary or expedient to do so, by notification in the *Official Gazette*, amend Schedule II relating to any Category of projects or Infrastructure Sub-Sectors.

(3) Every notification issued under this Act by the Central Government shall be laid, as soon as may be after it is issued, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the notification or both Houses agree that the notification should not be made, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be ; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification.” ;

(g) after section 7, the following section shall be inserted, namely :—

“7A. Apportionment of share of fund by Committee.—The share of the Fund to be apportioned to each of infrastructure projects shall be finalised by a Committee, constituted by the Central Government by notification published in the *Official Gazette*, headed by the Finance Minister, depending on the priorities of the project.” ;

(h) in Chapter III, for the heading, the following heading shall be substituted, namely :—

“MANAGEMENT OF CENTRAL ROAD AND INFRASTRUCTURE FUND” ;

(i) for section 9, the following section shall be substituted, namely :—

“9. The Central Government shall have the power to administer the Fund and shall—

(a) take such decisions regarding investment on projects of roads and other infrastructure as it considers necessary ;

(b) take such measures as may be necessary to raise funds for the development and maintenance of roads and other infrastructure.” ;

(j) in section 10, in sub-section (1),—

(A) in clause (i), for the words “national highways”, the words “roads and other infrastructure” shall be substituted ;

(B) clause (iii) shall be omitted ;

(C) for clauses (v) and (vi), the following clauses shall be substituted, namely :—

“(v) release of funds to the States for specific projects and monitoring of such projects and expenditure incurred thereon ;

(vi) formulation of the criteria for allocation of the funds for development and maintenance of national highways and other infrastructure projects ;” ;

(D) clause (viii) shall be omitted ;

(k) in section 11, for sub-section (1), the following sub-section shall be substituted, namely :—

“(1) The share of the Fund to be spent on development and maintenance of roads shall be allocated in such manner as may be decided by the Committee referred to in section 7A.” ;

(l) in section 12, in sub-section (2),—

(i) in clause (a), for the words “the projects”, the words “the type of projects” shall be substituted ;

(ii) in clause (c), the words and figures “under section 10” shall be omitted ;

(m) in section 14,—

(i) in the marginal heading for the words “road Fund”, the words “Road and Infrastructure Fund” shall be substituted ;

(ii) in clause (a), for the words “highways and State roads”, the words “highways, State roads and other infrastructure” shall be substituted ;

(n) in the Schedule I (as so renumbered), column (3) shall be omitted ;

(o) the Schedule shall be numbered as "Schedule I" and after the "Schedule I" as so renumbered, the following "Schedule" shall be inserted, namely :—

"SCHEDULE II

[See section 7(1)]

Category of projects and Infrastructure Sub-Sectors

Sl. No. (1)	Category (2)	Infrastructure Sub-Sectors (3)
1	Transport	(a) Road and bridges ; (b) Ports (including Capital Dredging) ; (c) Shipyards (including a floating or land-based facility with the essential features of waterfront, turning basin, berthing and docking facility, slipways or ship lifts, and which is self-sufficient for carrying on shipbuilding/repair/breaking activities) ; (d) Inland Waterways ; (e) Airports ; (f) Railway Track, tunnels, viaducts, bridges, terminal infrastructure including stations and adjoining commercial infrastructure ; (g) Urban Public Transport (except rolling stock in case of urban road transport).
2	Energy	(a) Electricity Generation ; (b) Electricity Transmission ; (c) Electricity Distribution ; (d) Oil pipelines ; (e) Oil / Gas / Liquefied Natural Gas (LNG) storage facility (including strategic storage of crude oil) ; (f) Gas pipelines (including city gas distribution network).
3	Water and Sanitation	(a) Solid Waste Management ; (b) Water supply pipelines ; (c) Water treatment plants ; (d) Sewage collection, treatment and disposal system ; (e) Irrigation (dams, channels, embankments, etc.) ; (f) Storm Water Drainage System ; (g) Slurry pipelines.
4	Communication	(a) Telecommunication (Fixed network including optic fibre/ wire/cable networks which provide broadband/internet) ; (b) Telecommunication towers ; (c) Telecommunications and Telecom Services.
5	Social and Commercial Infra	(a) Education Institutions (capital stock) ; (b) Sports and Infrastructure (including provision of Sports Stadia and Infrastructure for Academies for Training/Research in Sports and Sports-related activities) ; (c) Hospitals (capital stock including Medical Colleges, Para Medical Training Institutes and Diagnostic Centres) ;

(1)	(2)	(3)
		<p>(d) Tourism Infrastructure—</p> <p>(i) three-star or higher category classified hotels located outside cities with population of more than one million ;</p> <p>(ii) ropeways and cable cars ;</p> <p>(e) Common infrastructure for industrial parks and other parks with industrial activity such as food parks, textile parks, special economic zones, tourism facilities and agriculture markets ;</p> <p>(f) Post-harvest storage infrastructure for agriculture and horticulture produce including cold storage ;</p> <p>(g) Terminal markets ;</p> <p>(h) Soil-testing laboratories ;</p> <p>(i) Cold chain (including cold room facility for farm level pre-cooling, for preservation or storage of agriculture and allied produce, marine products and meat) ;</p> <p>(j) Affordable Housing (including a housing project using at least 50% of the Floor Area Ratio (FAR)/Floor Space Index (FSI) for dwelling units with carpet area of not more than 60 square meters.</p> <p><i>Explanation.</i>— For the purposes of the item (j), the term “carpet area” shall have the meaning assigned to it in clause (k) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016).”. </p>

PART XIV

AMENDMENTS TO THE PREVENTION OF MONEY-LAUNDERING ACT, 2002

207. Commencement of this Part.—The provisions of this Part shall come into force on such date as the Central Government may, by notification in the *Official Gazette*, appoint.

208. Amendments of Act 15 of 2003.— In the Prevention of Money-laundering Act, 2002,—

(a) in section 2, in sub-section (1), in clause (u), after the words “within the country”, the words “or abroad” shall be inserted ;

(b) in section 5,—

(i) in sub-section (1), after the second proviso, the following proviso shall be inserted, namely :—

“Provided also that for the purposes of computing the period of one hundred and eighty days, the period during which the proceedings under this section is stayed by the High Court, shall be excluded and a further period not exceeding thirty days from the date of order of vacation of such stay order shall be counted.” ;

(ii) in sub-section (3), for the word, brackets and figure “sub-section (2)”, the word, brackets and figure “sub-section (3)” shall be substituted ;

(c) in section 8,—

(i) in sub-section (3), in clause (a), after the words “continue during”, the words “investigation for a period not exceeding ninety days or” shall be inserted ;

(ii) in sub-section (8), after the proviso, the following proviso shall be inserted, namely :—

“Provided further that the Special Court may, if it thinks fit, consider the claim of the claimant for the purposes of restoration of such properties during the trial of the case in such manner as may be prescribed.” ;

(d) in section 19, in sub-section (3),—

(i) after the words “be taken to a”, the words “Special Court or” shall be inserted ;

(ii) in the proviso, after the words “from the place of arrest to the”, the words “Special Court or” shall be inserted ;

(e) in section 45, in sub-section (1), —

(i) for the words “punishable for a term of imprisonment of more than three years under Part A of the Schedule”, the words “under this Act” shall be substituted ;

(ii) in the proviso, after the words “sick and infirm,”, the words “or is accused either on his own or along with other co-accused of money-laundering a sum of less than one crore rupees” shall be inserted ;

(f) in section 50, in sub-section (5), in the proviso, in clause (b), for the word “Director”, the words “Joint Director” shall be substituted ;

(g) section 66 shall be numbered as sub-section (1) thereof, and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely :—

“(2) If the Director or other authority specified under sub-section (1) is of the opinion, on the basis of information or material in his possession, that the provisions of any other law for the time being in force are contravened, then the Director or such other authority shall share the information with the concerned agency for necessary action.” ;

(h) in the Schedule, in Part A, after Paragraph 28, the following Paragraph shall be inserted, namely :—

“PARAGRAPH 29

OFFENCE UNDER THE COMPANIES ACT , 2013

(18 OF 2013)

Section	Description of offence
447	Punishment for fraud.”.

PART XV

AMENDMENTS TO THE FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT, 2003

209. Commencement of this Part.—The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

210. Amendment of long title.—In the Fiscal Responsibility and Budget Management Act, 2003 (39 of 2003) (hereafter in this Part referred to as the principal Act), in the long title, the words “achieving sufficient revenue surplus and” shall be omitted.

211. Amendment of section 2.—In section 2 of the principal Act,—

(i) for clause (aa), the following clause shall be substituted, namely :—

‘(aa) “Central Government debt” at any date means—

(i) the total outstanding liabilities of the Central Government on the security of the Consolidated Fund of India, including external debt valued at current exchange rates ;

(ii) the total outstanding liabilities in the public account of India ; and

(iii) such financial liabilities of any body corporate or other entity owned or controlled by the Central Government, which the Government is to repay or service from the annual financial statement, reduced by the cash balance available at the end of that date ;’ ;

(ii) for clause (bb), the following clauses shall be substituted, namely :—

‘(bb) “general Government debt” means the sum total of the debt of the Central Government and the State Governments, excluding inter-Governmental liabilities ;

(bc) “gross domestic product” means the sum of the gross value added by all resident production units plus that part of taxes, less subsidies, on products, which is not included in the valuation of output, during a financial year, reckoned at current market prices, as published by the Central Statistics Office from time to time ;

(iii) after clause (c), the following clauses shall be inserted, namely :—

‘(ca) “real gross domestic product” means gross domestic product, reckoned at constant prices, as published by the Central Statistics Office from time to time ;

(cb) “real output growth” means growth in real gross domestic product ;” ;

(iv) clauses (e) and (f) shall be omitted.

212. Amendment of section 3.—In section 3 of the principal Act,—

- (a) in sub-section (3), item (i) shall be omitted ;
- (b) in sub-section (6), in clause (b), the words “revenue balance and” shall be omitted ;
- (c) in sub-section (6A), item (iii) shall be omitted.

213. Amendment of section 4.—For section 4 of the principal Act, the following section shall be substituted, namely :—

“4. Fiscal management principles.—(1) The Central Government shall,—

(a) take appropriate measures to limit the fiscal deficit upto three per cent. of gross domestic product by the 31st March, 2021 ;

(b) endeavour to ensure that—

(i) the general Government debt does not exceed sixty per cent. ;

(ii) the Central Government debt does not exceed forty per cent.,

of gross domestic product by the end of financial year 2024-2025 ;

(c) not give additional guarantees with respect to any loan on security of the Consolidated Fund of India in excess of one-half per cent. of gross domestic product, in any financial year ;

(d) endeavour to ensure that the fiscal targets specified in clauses (a) and (b) are not exceeded after stipulated target dates.

(2) The Central Government shall prescribe the annual targets for reduction of fiscal deficit for the period beginning from the date of commencement of Part XV of Chapter VIII of the Finance Act, 2018 and ending on the 31st March, 2021 :

Provided that exceeding annual fiscal deficit target due to ground or grounds of national security, act of war, national calamity, collapse of agriculture severely affecting farm output and incomes, structural reforms in the economy with unanticipated fiscal implications, decline in real output growth of a quarter by at least three per cent. points below its average of the previous four quarters, may be allowed for the purposes of this section.

(3) Any deviation from fiscal deficit target under sub-section (2) shall not exceed one-half per cent. of the gross domestic product in a year.

(4) The Central Government shall, in case of increase in real output growth of a quarter by at least three per cent. points above its average of the previous four quarters, reduce the fiscal deficit by at least one-quarter per cent. of the gross domestic product in a year.

(5) Where the fiscal deficit is allowed to vary from the target prescribed under the proviso to sub-section (2) or deviation is initiated under sub-section (4), a statement explaining the reasons thereof and the path of return to annual prescribed targets under this section shall be laid, as soon as may be, before both the Houses of Parliament.”.

214. Amendment of section 5.—In section 5 of the principal Act,—

(a) for sub-section (3), the following sub-section shall be substituted, namely :—

“(3) Notwithstanding anything contained in sub-section (1), the Reserve Bank may subscribe to the primary issues of Central Government Securities due to ground or grounds specified in the proviso to sub-section (2) of section 4.” ;

(b) in sub-section (4), after the words “secondary market”, the words “or converts Central Government Securities held by it with other Securities of the Central Government as mutually agreed between the Reserve Bank and the Central Government” shall be inserted.

215. Amendment of section 7.—In section 7 of the principal Act,—

(a) in sub-section (1), for the words “every quarter”, the words “on half-yearly basis” shall be substituted ;

(b) after sub-section (1), the following sub-section shall be inserted, namely :—

“(1A) The Central Government shall prepare a monthly statement of its accounts.” ;

(c) in sub-section (2), for the words “pre-specified levels mentioned in the Fiscal Policy Strategy Statement and the rules made under this Act”, the words “prescribed levels” shall be substituted.

216. Amendment of section 8.—In section 8 of the principal Act, in sub-section (2),—

(i) clause (ca) shall be omitted ;

(ii) after clause (d), the following clause shall be inserted, namely :—

“(da) the level of short fall in revenue or excess of expenditure under sub-section (2) of section 7 ;”.

PART XVI

AMENDMENT TO THE FINANCE (No.2) ACT, 2004

217. Amendment of Act 23 of 2004.—In section 97 of the Finance (No.2) Act, 2004, for clause (5), with effect from the 1st day of April, 2018, the following clause shall be substituted, namely :—

‘(5) “equity oriented fund” means a fund referred to in clause (a) of *Explanation* to section 112A of Income-tax Act, 1961.’.

PART XVII

AMENDMENTS TO THE FINANCE ACT , 2013

218. Amendment of Act 17 of 2013.—In the Finance Act, 2013,—

(a) in section 116, in clause (7), after the words “sale of commodity derivatives”, the words “or option on commodity derivatives” shall be inserted with effect from the 1st day of April, 2018 ;

(b) for sections 117 and 118, the following sections shall be substituted with effect from the 1st day of April, 2018, namely :—

“117. Charge of commodities transaction tax.—On and from the 1st day of April, 2018, there shall be charged a commodities transaction tax in respect of taxable commodities transaction specified in column (2) of the Table below, at the rate specified in the corresponding entry in column (3) of the said Table, on the value of such transaction and such tax shall be payable by the purchaser or the seller, as the case may be, as specified in the corresponding entry in column (4) of the said Table :

TABLE

Sl.No. (1)	Taxable commodities transaction (2)	Rate (3)	Payable by (4)
1	Sale of a commodity derivative ;	0.01 per cent.	seller
2	Sale of an option on commodity derivative ;	0.05 per cent.	seller
3	Sale of an option on commodity derivative, where option is exercised.	0.0001 per cent.	purchaser

118. Value of taxable commodities transaction.—The value of taxable commodities transaction referred to in section 117,—

(a) in the case of a taxable commodities transaction relating to a commodity derivative, shall be the price at which the commodity derivative is traded ;

(b) in the case of a taxable commodities transaction relating to an option on commodity derivative, shall be—

(i) the option premium, in respect of transaction at serial number 2 of the Table in section 117 ;

(ii) the settlement price, in respect of transaction at serial number 3 of the Table in section 117.” ;

(c) in section 128, after the word “sections”, the figures “119,” shall be inserted with effect from the 1st day of April, 2018.

PART XVIII

AMENDMENTS TO THE BLACK MONEY (UNDISCLOSED FOREIGN INCOME AND ASSETS)
AND IMPOSITION OF TAX ACT, 2015

219. Amendment of Act 22 of 2015.—In the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015, with effect from the 1st day of April, 2018,—

Amendment of section 46.—(a) in section 46, in sub-section (4),—

(i) in the opening portion, after the words “Joint Commissioner,”, the words “or the Joint Director” shall be inserted ;

(ii) in clause (b), after the words “Deputy Commissioner”, the words “or Assistant Director or Deputy Director” shall be inserted ;

Amendment of section 55.—(b) in section 55,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely :—

“Prosecution to be at instance of Principal Chief Commissioner or Principal Director General or Chief Commissioner or Director General or Principal Commissioner or Commissioner.” ;

(ii) in sub-section (2), after the words “the Chief Commissioner”, the words “or the Principal Director General or the Director General” shall be inserted.

PART XIX

AMENDMENT TO THE FINANCE ACT, 2016

220. Amendment of Act 28 of 2016.—In the Finance Act, 2016, in section 236, in the opening paragraph, for the words, figures and letters “the 26th September, 2010”, the words, figures and letters “the 5th August, 1976” shall be substituted.

PART XX

AMENDMENT TO THE CENTRAL GOODS AND SERVICES TAX ACT, 2017

221. Amendment of section 2 of Act 12 of 2017.—In the Central Goods and Services Tax Act, 2017, in section 2, in clause (16), for the words “Central Board of Excise and Customs”, the words “Central Board of Indirect Taxes and Customs” shall be substituted.

THE FIRST SCHEDULE

(See section 2)

PART I

INCOME-TAX

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 2,50,000	Nil;
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs.12,500 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 plus 30 per cent. of the amount by which the total income exceeds Rs.10,00,000.

(II) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 3,00,000	Nil;
(2) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 3,00,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs.10,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,10,000 plus 30 per cent. of the amount by which the total income exceeds Rs.10,00,000.

(III) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 5,00,000	Nil;
(2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(3) where the total income exceeds Rs. 10,00,000	Rs. 1,00,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated, in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(a) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax; and

(b) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax:

Provided that in the case of persons mentioned above having total income exceeding,—

(a) fifty lakh rupees but not exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- | | |
|---|--|
| (1) where the total income does not exceed Rs.10,000 | 10 per cent. of the total income; |
| (2) where the total income exceeds Rs.10,000 but does not exceed Rs. 20,000 | Rs.1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 20,000 | Rs. 3,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall, in the case of every co-operative society, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every co-operative society mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income 30 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall, in the case of every firm, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every firm mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 30 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall, in the case of every local authority, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every local authority mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

- | | |
|--|-----------------------------------|
| (i) where its total turnover or the gross receipt in the previous year 2015-2016 does not exceed fifty crore rupees; | 25 per cent. of the total income; |
| (ii) other than that referred to in item (i) | 30 per cent. of the total income. |

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of,—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of the total income 40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall, be increased by a surcharge for the purposes of the Union calculated,—

(i) in the case of every domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax;

(ii) in the case of every company other than a domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of two per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of five per cent. of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

PART II

RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to the deduction at the following rates:—

	Rate of income-tax
1. In the case of a person other than a company—	
(a) where the person is resident in India—	
(i) on income by way of interest other than "Interest on securities"	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(iii) on income by way of winnings from horse races	30 per cent.;
(iv) on income by way of insurance commission	5 per cent.;
(v) on income by way of interest payable on—	10 per cent.;
(A) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	
(B) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder;	
(C) any security of the Central or State Government;	
(vi) on any other income	10 per cent.;
(b) where the person is not resident in India—	
(i) in the case of a non-resident Indian—	
(A) on any investment income	20 per cent.;
(B) on income by way of long-term capital gains referred to in section 115E or sub-clause (iii) of clause (c) of sub-section (1) of section 112	10 per cent.;

(C) on income by way of long-term capital gains referred to in section 112A	10 per cent.;
(D) on other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10]	20 per cent.;
(E) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(F) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(G) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax Act, to a person resident in India	10 per cent.;
(H) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(i)(G)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10 per cent.;
(I) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10 per cent.;
(J) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(K) on income by way of winnings from horse races	30 per cent.;
(L) on the whole of the other income	30 per cent.;
(ii) in the case of any other person—	
(A) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(B) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax Act, to a person resident in India	10 per cent.;
(C) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(ii)(B)] payable by Government or an Indian	10 per cent.;

concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy

(D) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy 10 per cent.;

(E) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort 30 per cent.;

(F) on income by way of winnings from horse races 30 per cent.;

(G) on income by way of short-term capital gains referred to in section 111A 15 per cent.;

(H) on income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (I) of section 112 10 per cent.;

(I) on income by way of long-term capital gains referred to in section 112A 10 per cent.;

(J) on income by way of other long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10] 20 per cent.;

(K) on the whole of the other income 30 per cent.;

2. In the case of a company—

(a) where the company is a domestic company—

(i) on income by way of interest other than “Interest on securities” 10 per cent.;

(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort 30 per cent.;

(iii) on income by way of winnings from horse races 30 per cent.;

(iv) on any other income 10 per cent.;

(b) where the company is not a domestic company—

(i) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort 30 per cent.;

(ii) on income by way of winnings from horse races 30 per cent.;

(iii) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC) 20 per cent.;

(iv) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976 where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax Act, to a person resident in India 10 per cent.;

(v) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(iv)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and

where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—

(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976	10 per cent.;
(vi) on income by way of fees for technical services payable by the Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—	
(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976	10 per cent.;
(vii) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(viii) on income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (1) of section 112	10 per cent.;
(ix) on income by way of long-term capital gains referred to in section 112A	10 per cent.;
(x) on income by way of other long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10]	20 per cent.;
(xi) on any other income	40 per cent.

Explanation.—For the purposes of item 1(b)(i) of this Part, “investment income” and “non-resident Indian” shall have the respective meanings assigned to them in Chapter XII-A of the Income-tax Act.

Surcharge on income-tax

The amount of income-tax deducted in accordance with the provisions of—

(i) item 1 of this Part, shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

I. at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

II. at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees; and

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent., where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(ii) Item 2 of this Part shall be increased by a surcharge, for the purposes of the Union, in the case of every company other than a domestic company, calculated,—

(a) at the rate of two per cent. of such income-tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees; and

(b) at the rate of five per cent. of such income-tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

PART III

RATES FOR CHARGING INCOME-TAX IN CERTAIN CASES, DEDUCTING INCOME-TAX FROM INCOME CHARGEABLE UNDER THE HEAD “SALARIES” AND COMPUTING “ADVANCE TAX”

In cases in which income-tax has to be charged under sub-section (4) of section 172 of the Income-tax Act or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or deducted from, or paid on, from

income chargeable under the head "Salaries" under section 192 of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" [not being "advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or income chargeable to tax under section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act at the rates as specified in that Chapter or section or surcharge, wherever applicable, on such "advance tax" in respect of any income chargeable to tax under section 115A or section 115AB or section 115AC or section 115ACA or section 115AD or section 115B or section 115BA or section 115BB or section 115BBA or section 115BBC or section 115BBD or section 115BBDA or section 115BBE or section 115BBF or section 115BBG or section 115E or section 115JB or section 115JC] shall be charged, deducted or computed at the following rate or rates:—

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 2,50,000	Nil;
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 12,500 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

(II) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 3,00,000	Nil;
(2) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 3,00,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 10,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,10,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

(III) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 5,00,000	Nil;
(2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(3) where the total income exceeds Rs. 10,00,000	Rs. 1,00,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated, in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(a) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax; and

(b) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax:

Provided that in the case of persons mentioned above having total income exceeding,—

(a) fifty lakh rupees but not exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income

shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(1) where the total income does not exceed Rs.10,000	10 per cent. of the total income;
(2) where the total income exceeds Rs.10,000 but does not exceed Rs. 20,000	Rs. 1,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 3,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every co-operative society, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every co-operative society mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income	30 per cent.
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Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every firm, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every firm mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income	30 per cent.
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Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every local authority, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every local authority mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

(i) where its total turnover or the gross receipt in the previous year 2016-2017 does not exceed two hundred and fifty crore rupees; 25 per cent. of the total income;

(ii) other than that referred to in item (i) 30 per cent. of the total income.

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of,—

(a) royalties received from the Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of the total income 40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated,—

(i) in the case of every domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax;

(ii) in the case of every company other than a domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of two per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of five per cent. of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

PART IV

[See section 2 (13)(c)]

RULES FOR COMPUTATION OF NET AGRICULTURAL INCOME

Rule 1.—Agricultural income of the nature referred to in sub-clause (a) of clause (1A) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head “Income from other sources” and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3), (3A) and (4) of section 40A.

Rule 2.—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1A) of section 2 of the Income-tax Act [other than income derived from any building required as a dwelling-house by the receiver of the rent or revenue of the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head “Profits and gains of business or profession” and the provisions of sections 30, 31, 32, 36, 37, 38, 40, 40A [other than sub-sections (3), (3A) and (4) thereof], 41, 43, 43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.—Agricultural income of the nature referred to in sub-clause (c) of clause (1A) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind

referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly.

Rule 4.—Notwithstanding anything contained in any other provisions of these rules, in a case—

(a) where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee;

(b) where the assessee derives income from sale of centrifuged latex or cenex or latex based crepes (such as pale latex crepe) or brown crepes (such as estate brown crepe, re-milled crepe, smoked blanket crepe or flat bark crepe) or technically specified block rubbers manufactured or processed by him from rubber plants grown by him in India, such income shall be computed in accordance with rule 7A of the Income-tax Rules, 1962, and sixty-five per cent. of such income shall be regarded as the agricultural income of the assessee;

(c) where the assessee derives income from sale of coffee grown and manufactured by him in India, such income shall be computed in accordance with rule 7B of the Income-tax Rules, 1962, and sixty per cent. or seventy-five per cent., as the case may be, of such income shall be regarded as the agricultural income of the assessee.

Rule 5.—Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6.—Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 7.—Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 8.—(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2018, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2010 or the 1st day of April, 2011 or the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2010, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2011 or the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2011, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2012, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2013, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2014, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2015, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2016 or the 1st day of April, 2017,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2016, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2017,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2017,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2018.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2019, or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2011 or the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018, is a loss, then, for the purposes of sub-section (10) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2011, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2012, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2013, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2014, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2015, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2016, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2017 or the 1st day of April, 2018,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2017, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2018,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2018,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2019.

(3) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(4) Notwithstanding anything contained in this rule, no loss which has not been determined by the Assessing Officer under the provisions of these rules or the rules contained in the First Schedule to the Finance Act, 2010 (14 of 2010) or the First Schedule to the Finance Act, 2011 (8 of 2011) or the First Schedule to the Finance Act, 2012 (23 of 2012) or the First Schedule to the Finance Act, 2013 (17 of 2013) or the First Schedule to the Finance (No. 2) Act, 2014 (25 of 2014) or the First Schedule to the Finance Act, 2015 (20 of 2015) or the First Schedule to the Finance Act, 2016 (28 of 2016) or the First Schedule to the Finance Act, 2017 (7 of 2017) shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 9.—Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be *nil*.

Rule 10.—The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 11.—For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE

[See section 103 (a)]

In the First Schedule to the Customs Tariff Act,—

(1) in Chapter 20, for the entry in column (4) occurring against all the tariff items of heading 2009 (except tariff items 2009 11 00, 2009 12 00 and 2009 19 00), the entry “50%” shall be substituted;

(2) in Chapter 33, for the entry in column (4) occurring against all the tariff items of headings 3303, 3304, 3305, 3306 and 3307, the entry “20%” shall be substituted;

(3) in Chapter 34, for the entry in column (4) occurring against all the tariff items of heading 3406, the entry “25%” shall be substituted;

(4) in Chapter 39, for the entry in column (4) occurring against tariff items 3919 90 90, 3920 99 99, 3926 90 91 and 3926 90 99, the entry “15%” shall be substituted;

(5) in Chapter 40, for the entry in column (4) occurring against tariff item 4011 20 10, the entry “15%” shall be substituted;

(6) in Chapter 48, for the entry in column (4) occurring against tariff item 4823 90 90, the entry “20%” shall be substituted;

(7) in Chapter 56, for the entry in column (4) occurring against all the tariff items of headings 5608 and 5609, the entry “25%” shall be substituted;

(8) in Chapter 64,—

(i) for the entry in column (4) occurring against all the tariff items of headings 6401, 6402, 6403, 6404 and 6405, the entry “20%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 6406, the entry “15%” shall be substituted;

(9) in Chapter 71, for the entry in column (4) occurring against all the tariff items of heading 7117, the entry “20%” shall be substituted;

(10) in Chapter 84,—

(i) for the entry in column (4) occurring against all the tariff items of headings 8407, 8408 and 8409, the entry “15%” shall be substituted;

(ii) for the entry in column (4) occurring against tariff items 8483 10 91 and 8483 10 92, the entry “15%” shall be substituted;

(11) in Chapter 85,—

(i) for the entry in column (4) occurring against all the tariff items of sub-heading 8504 40 (except tariff item 8504 40 21), the entry “15%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 8506 (except tariff item 8506 90 00), the entry “15%” shall be substituted;

(iii) for the entry in column (4) occurring against tariff items 8507 10 00, 8507 20 00, 8507 30 00, 8507 40 00 and 8507 50 00, the entry “15%” shall be substituted;

(iv) for the entry in column (4) occurring against tariff item 8507 60 00, the entry “20%” shall be substituted;

(v) for the entry in column (4) occurring against tariff item 8507 80 00, the entry “15%” shall be substituted;

(vi) for the entry in column (4) occurring against all the tariff items of heading 8511, the entry “15%” shall be substituted;

(vii) for the entry in column (4) occurring against tariff items 8517 12 10, 8517 12 90 and 8517 62 90, the entry “20%” shall be substituted;

(viii) for the entry in column (4) occurring against tariff item 8517 70 90, the entry “15%” shall be substituted;

(ix) for the entry in column (4) occurring against tariff items 8518 10 00, 8518 29 00, 8518 30 00 and 8518 40 00, the entry “15%” shall be substituted;

(x) for the entry in column (4) occurring against tariff items 8529 10 99 and 8529 90 90, the entry “15%” shall be substituted;

(xi) for the entry in column (4) occurring against tariff item 8538 90 00, the entry “15%” shall be substituted;

(xii) for the entry in column (4) occurring against all the tariff items of sub-headings 8544 19, 8544 42 and 8544 49 the entry “15%” shall be substituted;

(12) in Chapter 87,—

(i) for the entry in column (4) occurring against all the tariff items of heading 8708, the entry “15%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of sub-heading 8714 10, the entry “15%” shall be substituted;

(13) in Chapter 90,—

(i) for the entry in column (4) occurring against tariff item 9004 10 00, the entry “20%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of headings 9018 and 9019, the entry “10%” shall be substituted;

(iii) for the entry in column (4) occurring against tariff item 9020 00 00, the entry “10%” shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of headings 9021 and 9022, the entry “10%” shall be substituted;

(14) in Chapter 91, for the entry in column (4) occurring against all the tariff items of headings 9101, 9102, 9103 and 9105, the entry “20%” shall be substituted;

(15) in Chapter 94, for the entry in column (4) occurring against all the tariff items of headings 9401, 9403 and 9404, the entry “20%” shall be substituted;

(16) in Chapter 95,—

(i) for the entry in column (4) occurring against all the tariff items of heading 9503 (except tariff item 9503 00 90), the entry “20%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 9504, the entry “20%” shall be substituted;

(iii) for the entry in column (4) occurring against tariff item 9505 90 10, the entry “20%” shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of headings 9506, 9507 and 9508, the entry “20%” shall be substituted;

(17) in Chapter 96,—

(i) for the entry in column (4) occurring against tariff item 9611 00 00, the entry “20%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 9613, the entry “20%” shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of heading 9616, the entry “20%” shall be substituted.

THE THIRD SCHEDULE

[See section 103 (b)]

In the First Schedule to the Customs Tariff Act,—

(1) in Chapter 7, for tariff item 0713 31 00 and the entries relating thereto, the following shall be substituted, namely:—

(1)	(2)	(3)	(4)	(5)
“0713 31	-- Beans of the species <i>Vigna mungo</i> (L.) <i>Hepper</i> or <i>Vigna radiata</i> (L.) Wilczek			
0713 31 10	--- Beans of the species <i>Vigna mungo</i> (L.) <i>Hepper</i>	kg.	30%	20%
0713 31 90	--- Beans of the species <i>Vigna radiata</i> (L.) Wilczek	kg.	30%	20%”;

(2) in Chapter 9, tariff item 0904 22 12 and the entries relating thereto shall be omitted;

(3) in Chapter 12, after tariff item 1209 91 60 and the entries relating thereto, the following shall be inserted, namely:—

(1)	(2)	(3)	(4)	(5)
“1209 91 70	--- of chilly of genus <i>Capsicum</i>	kg.	10%	—”;

(4) in Chapter 29, against tariff item 2917 39 20, in column (2), for the words “Diocetyl phthalate”, the words “Diocetyl isophthalate and dioctyl terephthalate” shall be substituted.

THE FOURTH SCHEDULE

[See section 104 (b)]

In the Second Schedule to the Customs Tariff Act, after Sl. No. 49 and the entries relating thereto, the following Sl.No. and entries shall be inserted, namely:—

(1)	(2)	(3)	(4)
"50	8545 11 00	Electrodes of a kind used for furnaces	20%".

THE FIFTH SCHEDULE

(See sections 108 and 109)

Year	No.	Short title of enactments	Extent of repeal
(1)	(2)	(3)	(4)
1998	21	The Finance (No.2) Act, 1998	Sections 103 and 111
1999	27	The Finance Act, 1999	Sections 116 and 133
2004	23	The Finance (No.2) Act, 2004	Chapter VI
2007	22	The Finance Act, 2007	Chapter VI

THE SIXTH SCHEDULE

(See sections 111 and 112)

Item No.	Description of goods	Rate
(1)	(2)	(3)
1.	Motor spirit commonly known as petrol	Rupee 8 per litre
2.	High speed diesel oil	Rupee 8 per litre

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

By order and in the name of the Governor of Maharashtra,

RAJENDRA G. BHAGWAT,
I/c. Secretary to Government,
Law and Judiciary Department.